NATIONAL WEEKLY

Social Justice

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SENATE SEEKS END TO DIPLOMATIC DANGERS

Ambassador
WILLIAM C. BULLITT
...Evades Senate Quiz...

CHARGES IN WHITE BOOK PROVOKE SUGGESTION ON ABOLITION OF DIPLOMATS

THE DEPARTURE from this country of William C. Bullitt, United States Ambassador to France, leaves unanswered many important questions concerning his part in our diplomatic policy abroad.

As Mr. Bullitt was preparing to fly the Atlantic in the American clipper, the Senate Foreign Relations Committee was acting upon a resolution introduced by Sen. Robert R. Reynolds of North Carolina.

This resolution, which embraced also the European tour of Undersecretary of State Sumner Welles on President Roosevelt's peace mission, said in connection with Mr. Bullitt, and the statements attributed to him in the German White Book:

"Resolved further, That the Secretary of State is also requested to transmit . . . as soon as practicable full and complete information with respect to the so-called White Book recently published by the German Government, relating to alleged diplomatic correspondence between the Government of the United States and Poland, and copies of all speeches made by the Ambassador to France, Mr. Bullitt, the Ambassador to the Court of St. James, Mr. Kennedy, and the Minister to Canada, Mr. Cromwell, during their tenure in such offices.

"Resolved further, That the Secretary of State is requested to inform such committee with respect to the circumstances surrounding the recent speech at Bordeaux, France, of the Ambassador to France, Mr. Bullitt, and to request Mr. Bullitt to present to such committee his views with respect to the so-called White Book published by the German Government."

Meanwhile Senator Bennett Champ Clark, of Missouri, incensed at recurring controversies over statements and alleged statements of American diplomatic representatives, proposed that the entire diplomatic corps be abolished.

"The diplomatic corps is an anachronism," Senator Clark said. "It was created purely because of the lack of communication facilities . . . The diplomatic corps should be done away with . . . It is outmoded, a thing created in the past to meet needs of the past that no longer exist."

Should this be done, one source of irritation; one war-breeding danger would be removed.

—*Harris & Ewing*

FROM THE TOWER
By Father Coughlin

★

'BIBLES OF THE POOR'
By Louis B. Ward

★

THE PAPERS OF ROBERT LANSING

DINNER CHAT
By the Staff

'Social Justice' Salesgirl Arrested

THE CASE of little Frances Kilkenny, of the Bronx, New York, has been called to our attention.

Frances, 15 years old, was arrested for selling SOCIAL JUSTICE on the streets. She was accused of "juvenile delinquency," and of violating the compulsory education law.

After spending a night in a detention home, Frances was brought before Magistrate Francis X. Giaccone in Yorkville court, to face the charge of violating the compulsory education law. Magistrate Giaccone dismissed the charge.

Then she was taken to Children's Court, before Justice Dudley F. Sicher, on charges of juvenile delinquency brought by Samuel Lewis, Jr., a truant officer of the board of education. Justice Sicher told her she could no longer sell magazines on the streets, because the law forbade it, and dismissed the case.

Frances is a very young girl to feel the might of the law on her slender shoulders. She sold SOCIAL JUSTICE to support her destitute family. She has six sisters and three brothers. They range in age from three weeks to 18 years. Neither of her parents is employed. All her older brothers and sisters attend school. None is working.

Mrs. Mary Kilkenny, Frances' mother, told Magistrate Giaccone that Frances received four cents for every copy of SOCIAL JUSTICE she sold, that she always took this money home to her family.

Now, obviously, Frances should be in school, and not on the street working during school hours. But can anyone suggest how poor Frances and her poor family are expected to live, to attend school, and to be good citizens?

Frances' family receives "home relief" from the city. The "relief" dole ration is well known. Judge for yourself if it is sufficient for two parents and 10 children ranging in age from three weeks to 18 years.

Babies require ample supplies of milk, fresh fruits, fresh vegetables. Growing children require good meats and wholesome foods to build sturdy bones and strong bodies. Children of school age require neat and warm clothing, if they are to preserve their health and that important quality, pride in self-respectability.

The plight of poor Frances and her family is enough to melt the heart of a tyrant. As sometimes happens, the blows of the law fall most heavily on those most guiltless of intentional wrongdoing.

The economic situation that permits such conditions is a startling challenge. But the plight of Frances and her family cannot await the turning of the ponderous and creaking wheels of economic and reform laws.

For those of you who wish to do a work of charity, the address of Frances' family is 463 East 171st St., The Bronx, New York City.

What About Taxes?

THROUGH THE YEARS it has become axiomatic that no election-year Congress will raise taxes. The reason is plain. No electioneering Congressman wishes to go before his constituents with an appeal for votes when the impression of new tax-hardship is so fresh in the voting mind.

In addition, the present Congress has another ticklish problem. The national debt has reached the point where any substantial increase will necessitate raising the legal limit of that debt. Naturally this Congress does not wish to take the responsibility for raising the limit set by law. If it did raise the limit, it would be saddled with the responsibility for what should follow.

Thus, in applying the general rule to the present situation, it is quite obvious that the present Congress is not going to approve a new tax bill for new revenue, nor is it going to accept responsibility for raising the legal limit of the national debt.

That means that any appropriations over and above budgetary amounts will have to be squeezed in by trimming somewhere else in the budgetary picture. It has been suggested that the Army and Navy appropriation bills be held up until the end of the session, and national defense expenditures be slashed sufficiently to provide for extra appropriations already made for the National Youth Administration, the C.C.C., and farm benefit payments, and for extra relief appropriations which are expected.

National Defense

ON THE ITEM of "national defense" the newspaper reader should exercise particular caution. Everyone believes in "national defense." Everyone feels that, while it would be most foolhardy or even criminal for this nation to spend vast sums for military equipment designed for use in a program of aggression against another nation, still it is most expedient to spend any sum for "national defense."

The catch, of course, is this: What constitutes national defense?

It has been pointed out by eminent editorial writers, feverish in their zeal for the national welfare, that every nation, in the long history of aggression, has budgeted its funds to pay for military aggression under the term "national defense."

It has been pointed out that a "national defense" aim underlay the establishment of the present German army, supposedly the most efficient in the world. It has been pointed out that the British and French armies, at present engaged in war, were developed to their present point of fitness under the patriotic aim of "national defense."

Russian Forces

THE RED RUSSIAN horde that overpowered little Finland after a bloody struggle of more than three months, probably was mustered, equipped and paid for in the name of "national defense." The wide-eyed, dispirited Russian peasants whose blood reddened the snows around the Mannerheim line probably were pressed into service for "national defense."

Thus, "national defense" may mean anything. To the sturdy Finn, it meant protecting his boundaries against the ravaging Russian. But to the Russian peasant, it meant engaging in a bitter war of aggression against a smaller nation.

To the German "national defense" meant war against Poland, and consequent war with the Allies. You remember, of course, that "atrocities committed against German nationals" is the reason Germany gave for warring on Poland. You remember that the Communist *Daily Worker*, in this country, headlined the beginning of Russia's war on Finland by screaming: "Soviet Troops Throw Back Invading Finn Forces."

Thus, "national defense" may mean anything from preserving one's borders from an enemy, to sailing an ocean 3,000 miles wide to wage war against that enemy.

If the United States ever were threatened with invasion of a foreign power, the recruiting offices would be jammed 24 hours a day to care for the thousands of volunteers anxious to offer their lives for their nation's defense. Almost overnight the manpower, resources, industrial and commercial establishment of the nation would be unified in a vast crusade for the protection of America.

Don't worry too much about "national defense." If it's really "national defense" that is needed, it will be supplied. Worry, instead, about the spirit of militarism that has advanced in other nations under the misleading name "national defense." That's a man-sized worry.

Administration Economy

CONGRESSMAN Clare E. Hoffman of Michigan has some reflections on the matter of national economy and national spending that are interesting. Congressman Hoffman is a Republican, distinguished chiefly by the fact his opposition to the New Deal administration is consistent, effective and apparently sincere.

"President Roosevelt challenged this Congress to economize or impose new taxes to meet what might be a $4-billion deficit at the end of the fiscal year," writes Congressman Hoffman.

"The House accepted; cut appropriation bills below the amount recommended by the President and the budget. But last week they forgot all about it; hiked the appropriation for the C.C.C. $5-million, the appropriation for the N.Y.A. $17,450,000 above the budget estimate. The Senate added $297-million more than called for by the budget to the appropriations for farmers.

"At the end of the Roosevelt administration, through his advocacy of spending, we shall have increased our national debt, which was $20-billion when Mr. Roosevelt began, by $25-billion during his administration, to a total of more than $45-billion. On this the interest charge is $1-billion a year.

"As the President said when he took office, such a course means national bankruptcy, and it also means an overwhelming increase in your tax payments . . ."

Election Ahead

THE SUMMER MONTHS bring the election campaigns, and November brings a Presidential election. This is the season when "now is the time for all good men to come to the aid of their party," is more than a typewriting exercise.

The election "issues," manufactured and real, will be amply advertised between now and the time when you part the curtains on the election booth.

Some issues are paramount, and will be so advertised. Of these war, taxes, relief, unemployment, prosperity will be battered and pushed about by the contesting candidates.

At the end the interested listener will not know whether the United States is in war, or out; taxed to death, or utopianized in a bountiful taxless land; staggering under an unbearable relief burden, or walking the golden pavements in a land of plenty.

These "issues" will be fought over and clawed to pieces, but a very important issue may be overlooked, hushed up, or forgotten. That issue concerns the nation's money and its future. Is it to continue to bear interest through its debt-backing, or shall it be free? Is it to continue in private issuance, or shall it be Federally issued? Is the nation to wallow everlastingly in debt, or will it seek the logical way to prosperity?

These are the questions to ask your favorite candidate as he stands on the speaking platform, framed behind the flag, and puffs to the end of his prepared address and asks blandly, "any questions, please?"

All other things being equal, the candidate who contests for a seat in the House, the Senate, or the Executiveship and who pledges himself to monetary reform, is a candidate to be supported. If true, far-reaching monetary reform in accord with the principles of social justice is not achieved, other reforms will be merely superficial. They will not go to the heart of the difficulty.

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FROM THE TOWER

By FATHER COUGHLIN

Cause of First World War Made Clear In Disclosures of Celebrated 'Lansing Papers'

SINCE 1917 STUDENTS were content to speculate as to the cause of the first World War and, particularly, as to the real reasons for our becoming involved in it.

Now we know. The period of speculation has passed. The period of fact is at hand.

In 1936 the United States Government published *Papers Relating to the Foreign Relations of the United States (In Three Volumes)*. This work dealt with those foreign relations related to the year 1920.

Missing from this extraordinary work were many valuable State papers which Secretary of State Robert Lansing had removed from Government files after the mentally sick President Wilson had demanded Lansing's resignation because he, the Secretary of State, had called a long-overdue Cabinet meeting.

It is generally conceded that Mr. Lansing took these Government documents from the Secretary of State's office, locking them in a vault in his own home, to protect his name against any reprisals which might be taken against him.

Eventually, these precious documents were returned to the Government and were published a few weeks ago in another work entitled *Papers Relating to the Foreign Relations of the United States—The Lansing Papers, 1914-1920 (In Two Volumes)*.

The contents of both these works—*The Foreign Relations of the United States, 1920* and *The Foreign Relations of the United States—The Lansing Papers, 1914-1920*—paint an accurate and official picture for all students.

Now we know that the first World War was strictly a commercial war to save British imperialism and to destroy German competition.

Now we know that the administration of President Wilson was dedicated to war long before America entered into it.

Now we know that the Wilson Government disparaged the Pope's appeals to the belligerents for peace because neither this Government nor the Allies wanted peace. Rather, they wanted the destruction of Germany.

Now we know that the Wilson Government, prior to 1917, upheld the czaristic regime in Russia; that the Wilson Government aided and abetted the socialistic regime under Kerensky in the spring of 1917; that the Wilson Government aided, abetted and acclaimed the Bolshevik Government in Russia in the autumn of 1917.

Now we know that the people of this country had the truth hidden from them in many matters relative to our great romance of "making the world safe for democracy."

For many years we suspected that the United States did not want peace established on the basis of *status quo ante*, namely, "as things were before the war." Now we know.

For many years we suspected that this Government was desirous of co-operating with Great Britain in liquidating Germany. Now we know.

When the Kerensky Revolution was well under way in Russia in 1917—a revolution definitely socialistic — President Wilson sent the following message to the Secretary of State: (Document 763.72/3800½)

"My Dear Mr. Secretary: The suggestion of a commission to Russia has come to me from a number of quarters and I am inclined to think that it would be a good plan to send one, and send it practically at once.

"The important, perhaps the all-important thing is the personnel. Men of large view, tested discretion, and a sympathetic appreciation of just what it is they have been sent over for are the sort we need; and it is necessary, besides, that they should *look* the part.

"House has suggested a prominent Jew (Oscar Straus), a business man (Willard Straight), a labor leader (Samuel Gompers), and an educator (Benjamin Ide Wheeler). What do you think, and whom would you suggest? . . . Crane has already gone to Russia and ought to be over there by this time, if his ship has escaped the submarines. Professor Harper of Chicago is widely known and trusted in Russia.

"We must find the right men, and they must not all be Democrats—need not any of them be Democrats—but should all be genuinely enthusiastic for the success of the Russian revolution.

"Faithfully Yours,

W. W."

* * *

Courted Bolshevik Government

WHEN THE KERENSKY socialistic revolution evolved into the Lenin Bolshevik revolution in the autumn of 1917, the Wilson Government sought means to support friendly commercial relations with the Lenin Government. Diplomatically, they arranged for a "Commission for the Relief of Russia"—relief for Lenin and his followers but none for the millions of religionists who were being massacred.

Document 861.48/614¾a, which appears on page 362, reads as follows:

"(1) The creation of the 'Commission for the Relief of Russia.' This Commission to be organized generally along the same lines as the 'Commission for the Relief of Belgium,' except that all of the funds required should be furnished for the time being at least out of your War Fund. This would obviate the necessity of going to Congress for the present for an appropriation.

"(2) An announcement by you that in order to give some tangible evidence to the world that the United States proposes to stand by Russia and to assist the Russian people in the circumstances in which they find themselves you had concluded to create this Commission, and to request Mr. Herbert Hoover to act as its head and that the Commission would act in close conjunction with the State Department and be guided in all questions of foreign policy by the State Department.

"I feel sure that you will agree with me that unless the policy of such a Commission is controlled through this Department, so far as it relates to foreign affairs, hopeless confusion will result.

"Your appointment of Mr. Hughes to assist the Department of Justice in its Aircraft investigation effectively cleared up what bade fair to develop into a most distressing situation. As I pointed out to you after Cabinet on Tuesday, I see signs in Congress and outside of a similar situation arising in connection with Russia unless you give concrete expression to the splendid encouragement you have already extended to the Russian people. I feel sure that Mr. Hoover's appointment to head such a Commission would be widely acclaimed as another evidence of the determination of the United States to assist the Russian people towards the establishment of an orderly Government independent of Germany.

"The creation of this Commission would, for the time being, dispose of the proposal of armed intervention. The British, French, Italian and Japanese Governments could be told that armed intervention would have to depend on Mr. Hoover's recommendations after he had proceeded further with his work. *Armed intervention to protect the humanitarian work done by the Commission would be much preferable to armed intervention before this work had been begun.* (Italics ours—Ed.)

"I know that you will hesitate to take Mr. Hoover from his present work. I have learned, however, that the organization of the Food Administration has proceeded to such an extent that, while much work remains to be done, nevertheless another man could easily step in and effectively continue the work. No doubt Mr. Hoover has told you, as he has me, that our food supply at the present time is most satisfactory and that the present problem is to dispose of properly the enormous supplies we have acquired through stimulation of production. I understand that Mr. Julius Barnes is considered the ablest of Mr. Hoover's assistants and best equipped for his position.

"I should very much appreciate an expression of your views with reference to these suggestions.

"Robert Lansing"

Of course the Commission was sent.

Possibly it will be 25 or 30 years before the State papers of the Roosevelt Administration will be published. It will be interesting, in the meantime, to speculate as to their contents. If we are living a quarter of a century from now, it will be more interesting to learn their contents.

All we know is this, namely, that the general public is not informed by its democratic leaders as to the actual motives, negotiations and determinations. To be safe, we should exert every effort to insure ourselves against a repetition of Wilsonism.

* * *

'A Bit of Impertinence'

AN INTERESTING ARTICLE concerning the reception given Washington reporters by Presidential Secretary Stephen Early, when these reporters sought information concerning the results achieved abroad by Mr. Sumner Welles, appeared in the Detroit Times for Monday, April 1. It follows, in full:

"Asked by the newsmen if there was any 'particular reason' for the complete secrecy regarding Welles' observations abroad, Mr. Early, the President's secretary, replied:

"'Is there any reason why there shouldn't be? Did the President send Welles to Europe to come back and to report to you (the press)?'

"Is not that answer of Mr. Early's a bit of impertinence—a bit of insolence in fact?

"Is not his supercilious statement rather a like master like man pose—a like leader like lackey attitude?

"The newsmen are not asking for information for themselves.

"They do not care about Mr. Early or Mr. Welles or Mr. Roosevelt personally.

"These political gentlemen are only important insofar as they represent the American people.

"And the newsmen are merely inquiring about the publication of data for the edification of the American people.

"Are not the American people supposed to take an interest in what their representatives are doing to get them into foreign wars—which they, the people, will have to fight, and which they, the politicians, will carefully avoid?

* * *

"Is Government a public matter or a private matter in this alleged republic?

"The newsmen in no way suggested a report from Mr. Welles to themselves. But a report to the people might be in order by Mr. Welles explaining on what authority he went poking his political nose into foreign affairs and relating what powers he possessed to act or investigate with regard to the conflict abroad, and stating what he did over there to get himself called a joke in Italy, a nuisance in France and a meddler in England.

"It was in the latter country that the *London Daily Mirror* said of Mr. Welles:

"'We are struggling for our lives. We do not like to be impeded even by charming people in that task.'

"And again it was in England that the *London Daily Mail*, on its first page, linked Mr. Welles' mission to President Roosevelt's personal political future in the light of the third term controversy in America.

"Surely it is not presumptuous on the part of the American people and their news purveyors to take a modest interest in their Government, even if it is getting to be an arbitrary and absolute one."

* * *

Federal Radio Censorship

I reprint an editorial which appeared in the *Detroit Free Press* Tuesday, April 2, 1940:

"HAVE WE A HERR GOEBBELS?

"The *Los Angeles Times* printed this item in a recent issue:

"'Fear of license revocation hangs like a sword of Damocles to curtail freedom of speech by the way of the radio in at least some broadcasting stations, it was learned yesterday.

"'One Los Angeles station recently handed a broadcaster a printed card on which was the statement: "Due to Federal Communications Bureau regulation and censorship of radio broadcasting stations and possible revocation of license, no jokes or derogatory remarks concerning Federal Government, officials of the

(Continued on Page 18)

Farm and Labor

Under-Consumption by Poor Hits Farm Income

Senator La Follette Shows Figures Revealing Very Low Living Standards

WASHINGTON, D. C. — Underconsumption of farm products by millions of poverty-stricken Americans unable to buy enough food for themselves and their families is largely responsible for the pitiful plight of American agriculture.

Senator Robert M. La Follette of Wisconsin presented illuminating statistics to demonstrate that point in a recent Senate discussion in which he urged additional appropriations for extension of the food stamp plan for persons on relief.

He cited figures showing that when families in the low income groups received increased incomes, their expenditures for food doubled. Inasmuch as the amount of the new, increased income he quoted was only $1,224—far below a decent American family living wage—it can be estimated that food expenditures would increase still more with an income of, say, $1,800.

The exhilarating effect on farm markets of such an enormous demand is so obvious it barely needs recounting. Agricultural income would rise apace. Farmers would again become self-sufficient. Their prosperity in turn would open vast new industrial markets. Farmers would have purchasing power to buy the necessities and conveniences produced by industry. This naturally would entail re-employment of millions of jobless men and women.

Vast Potential Market Exists

La Follette used figures prepared by the Bureau of Labor Statistics, the Bureau of Home Economics and the National Resources Committee after a study of incomes for 1935.

A vast potential market for both farm and industrial goods exists among the under-privileged poor of the nation, the study revealed.

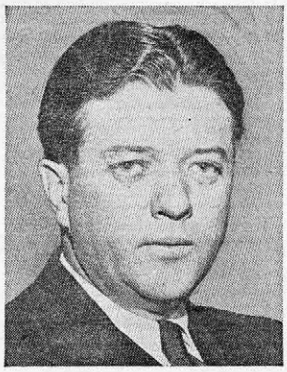
Approximately 14 per cent of all families in America received an *average income of only $312* in the period covered in the survey. These unfortunate persons spent only $1 a week per person for food.

"With an increased income to $758 a year," Senator La Follette said, "the per capita expenditure for food rose to $1.62 per person per week. With an increased income to an average of $1,224, the per capita expenditure per week rose to $2.18 for food. In other words, families with incomes under $500 a year spent about 5 cents per person per meal for food. Families getting $100 per month spent 10 cents per meal per person, or double the amount, and therefore, the farmer's market doubled."

Sees Great Increase in Food Expenditures

The Senator asserted the study shows that if all families getting less than $100 a month were raised to that figure, which, he added is not an "overly - ambitious goal," it would mean an increase in food expenditures of about $1,900,000,000—a 51 per cent increase in food expenditures for those people.

He pointed out specific instances wherein the poor's consumption of nourishing food enjoyed by persons of means is far below par.



SENATOR LA FOLLETTE

Meat purchases of families in the $500-or-less income bracket, for example, were only 56 per cent of the per capita expenditures of those receiving $100 a month. The $500 group bought only about 43 per cent as much dairy produce as those in the upper class; only 57 per cent as many eggs and 58 per cent as many vegetables.

Although the average income for all families in 1935 was $1,622, La Follette pointed out, more than 65 per cent of America's families received less than half of that amount. Incomes in the extremely high brackets bring up the total average and make it appear impressive. As La Follette said, "we should not be misled by average family income statements."

The 4,200,000 families with incomes of only $312 were not alone in their poverty. Added to this 14 per cent of the family population were 8-million other families, or 25½ per cent of the total, who had *incomes of only $758*. About 7-million other families, comprising 23 per cent of the total, had incomes of approximately $1,224, according to the Senator.

14-Million Persons Qualified for Relief

While those figures represent conditions as of 5 years ago rather than today, it can be said without fear of contradiction that little, if any, improvement has occurred since 1935.

Commenting on the fact that approximately 14-million persons at present are in such strained circumstances that they are qualified for benefits of the food stamp plan, Senator Joseph C. O'Mahoney of Wyoming declared:

". . . We seem to be headed straight for the creation of a peasant class in America . . ."

SOCIAL JUSTICE believes one of the chief remedies for this deplorable state of economic affairs is the introduction of a guaranteed cost-of-production price for all farm goods sold domestically; through that medium purchasing power of 30-million farm residents would be restored immediately and industrial employment stimulated.

The other essential step is reform of monetary system so that Congress shall resume its constitutional right to coin and regulate money. That money, based on the wealth of the land and made available to the poor through a guaranteed living annual wage, would be put into circulation, not buried in a hole in the ground in Kentucky.

Farmer Protests 'Easy Money' Offered Him by Government

A GOOD TIP-OFF on how farmers feel about the Department of Agriculture's "easy money-for-not-producing" policy is the resentment of one Massachusetts farmer, as expressed in his letter to the *New York Herald-Tribune*.

Referring to the 1940 conservation program for Massachusetts, as described in a booklet published by the Agricultural Adjustment Administration, the farmer wrote, according to the *Herald-Tribune:*

"No self-respecting farmer would accept anything from the Government for doing the things set forth in this pamphlet, because any farmer who is worth the powder to blow him over his own fence would do these things anyway, without any paternalism from the Government."

Among provisions of the program are rewards for adhering to curtailed potato planting quotas, and penalties of 30 cents a bushel for all potatoes produced in excess of the allotted acreage—3 acres.

Additional negative and positive farm operations for which the Government will pay includes curtailment of vegetable acreage, keeping livestock out of woodlots, tree-pruning, reforestation, clearing of woodlots and, says the *Herald-Tribune,* "many other operations, which, as our correspondent pointed out, any good farmer would normally do without being bribed."

Workers Deserve Part of Profits They Help Make

THE NEWS: The International Harvester Company has announced it will inaugurate on May 1 a profit-sharing and savings plan for employes, with the view of reducing the hazards of unemployment.

Under provisions of the plan the Company will match employes' savings up to 2½ per cent of their wages and will give workers 25 per cent of all Company earnings in excess of $3 a share on common stock. Employes may bank 10 per cent of their wages and receive interest from the Company on it, and also on the "matching credits" put up by the firm.

COMMENT: This is a laudable move by International Harvester Company. Would that all other large corporations would introduce measures to increase employes' security and income.

In 1938, International Harvester's earnings were approximately $18,900,000, or $4.46 a share—before certain deductions—on 4,246,000 shares. On that basis, 25 per cent of the earnings in excess of $3 a share would be about $1½-million.

Giving employes a share of employers' profits is not economic heresy. Workers are entitled to that. Their labor, as well as the company's capital, makes these profits possible. Hence, wherever feasible, labor should also be assured of a *living annual wage.*

Utter Incompetency of Many N.L.R.B. Lawyers Disclosed

THE NEWS: To correct what it termed "the wrongs being perpetrated daily upon industry, labor and the general public," the Smith Committee investigating the National Labor Relations Board and the Wagner Act, has recommended 17 drastic revisions of the law.

Signed by a majority of the committee's 5-man membership, the report reiterated the authors' belief "in the right of employes to organize and bargain collectively through representatives of their own choosing and in the obligation of the Government to protect that right."

Board members and their subordinates were charged in the 60,000 word report with incompetence and "overzealousness." Particularly criticized was the review division of the N.L.R.B., which, the statement said, consisted of inexperienced men and women attorneys whose average age was only 29.

COMMENT: While youth is not necessarily a handicap, it obviously was just that in the case of the review division. Or, if the fault lay not in the youth of the attorneys, then it can be attributed to their deliberate prejudice. At any rate, the board's barristers, many with no law experience whatever, were guilty of almost incredible irregularities.

Their task is to summarize evidence in cases to be decided by the board. Hence their omission or inclusion of facts and allegations has considerable bearing on the board's decisions.

Yet, the committee stated in its report that "the majority had no trial experience. There was a palpable lack of any kind of experience that would constitute a qualification for competent review of legal problems arising from labor relations under the Act."

Press accounts of recommendations found in the board's files said one man was hired because the board believed he had a "liberal point of view, turned left." Another's chief virtue was that he had "strong social consciousness." Apparently that also meant a "leftist" view.

One trial attorney was promoted to the review division after having been charged with gross misconduct in conducting a case. The attorney, Solomon G. Lippman, had admitted he had "overstepped my mark."

One woman review attorney, said the report, had been told by the board to draft a certain decision, but on her own initiative drafted a different decision.

Such incidents as these explain many of the unfair board orders of the past few years. But the inexperienced, or prejudiced lawyers entrusted with the important review functions are not any more responsible than are the board members who permit or encourage employment of that calibre of persons.

The Smith Committee has suggested a thorough housecleaning of the board. New Dealers, who control the House Labor Committee, however, seek to avert any drastic measures. They have come forward with 4 proposed amendments designed to pacify the revisionists, yet thwart efforts to overhaul the board completely.

They may succeed in the current session of Congress, but sooner or later, major changes can be expected to eliminate existing inequalities of the law. The danger of extreme reaction should be squelched now before labor loses its recognized right to organize and bargain collectively.

Inside Washington

Efforts to Curb Hull Treaty Powers Beaten

Four Constructive Changes in Reciprocal Trade Act Defeated by New Deal

THE NEWS: Senate defeat of 4 more drastic amendments to the Reciprocal Trade Agreements Act has practically assured the Administration that its favored trade policies will be continued another 3 years.

Opponents of the Act, which permits Secretary Hull to conclude foreign commercial pacts without consent of the Senate or of the Congress as a whole, have fought extension of the law on grounds it is unconstitutional and has injured American agriculture.

Proposals by Senators O'Mahoney of Wyoming, Adams of Colorado, McCarran of Nevada and La Follette of Wisconsin, to curb Hull's authority were voted down last week. Previously a somewhat similar amendment by Sen. Pittman of Nevada was also defeated.

COMMENT: The controversy over renewal of reciprocity agreements has been one of the most spirited Senate battles of recent years. Backed by their constituents in the great agricultural areas, by representatives of labor and by many small business men a powerful bloc of Senators has carried on a gallant fight to undo the evils of the pacts.

To them the nation should be grateful. It is unfortunate their numbers were not large enough to combat the greater forces mustered by the New Dealers. As this is written the cause appears to be lost.

Secretary Hull, as the agent of President Roosevelt, will continue to exercise arbitrary powers to negotiate and conclude trade treaties without so much as consulting the representatives of the people—Congress—as provided in the Constitution.

Judging by his past record he will continue to make concessions on agricultural imports so as to attain an advantage for American exporters of machinery and other industrial products. In brief, he will "sell the farmer down the river" in favor of the manufacturer.

By letting down the bars on cheap farm goods produced under substandard foreign living conditions, he will allow American farmers to be robbed of their domestic markets. Meanwhile, Secretary of Agriculture Wallace will decry the existence of "burdensome surpluses" — the very same commodities of which the trade pacts encourage importation!

Proposes Export-Import Control Board

Senator La Follette's defeated amendment was intended to eliminate the possibility of such confused economics. It provided for creation of an Export-Import Control Board, with power to determine what could be imported. Senate or House ratification of proposed pacts, as suggested by other amendments, would have the same effect.

La Follette assailed the existing foreign trade policies of the United States, declaring the current expansion of war industries, together with decreased exports of farm products, was leading the nation toward disaster.

"Unless we take effective measures to prevent our business structure from being pulled out of shape by this present abnormal demand for arms, munitions and war materials," he said, "we are headed for another bitter and prolonged period of domestic readjustment after this war, greater than the one we have been struggling with for the past 20 years."

He pointed out that many groups, particularly agriculture, have already been damaged seriously by the rush to supply Europe with war implements. Foodstuff exports have dropped 20 to 30 per cent in recent months, he declared, while exports of industrial goods have climbed more than 50 per cent.

Belligerents Hurting American Trade

He emphasized especially the fact that belligerents have cut the United States off almost entirely from their trade list in many commodities.

SEN. O'MAHONEY

Although Secretary Hull's strongest argument in support of his pacts is their alleged good will aspects, this country has been made the victim of bilateral treaties between other nations. The pacts, in effect since 1934, were also expected by Hull to constitute a war deterrent, but wars have raged almost constantly.

As a result of these wars and threats of wars, as La Follette pointed out, foreign countries are taking advantage of the United States. They play according to "new rules," he said, while we still use the "old rules."

He enumerated the "new rules" as "trade bans, export-import licensing, quotas, commodity controls, shipping controls, government-monopoly buying and selling, restrictions on foreign exchange, manipulation of currency value, preferential treatment of political allies, etc."

Yet Hull goes on his idealistic way, tolerating these abuses and under the "most favored nation" policy, making concessions to countries which give none to the United States.

Undoubtedly he is sincere. To date, however, not the slightest evidence has appeared of the international harmony and general prosperity which he predicted would follow the pacts.

Question: When is a Foreign Agent Not a Foreign Agent?

STATE DEPARTMENT officials last week were trying to solve the riddle "when is a foreign agent not a foreign agent"?

The question arose after the Communist *Daily Worker*, American propaganda organ of Moscow, registered with the State Department under the act requiring registration of foreign agents.

By virtue of its registration, of course, the *Daily Worker* acknowledged that the law applies to it. Nevertheless *it denied that it is a foreign agent.*

Just what mental process provoked the contradictory actions is not clear. Obviously, the paper's disavowal of its Soviet connections holds no more water than a sieve. Its editor should be congratulated, however, for registering.

Nation Again Faces Work Relief Crisis

THE NEWS: An appropriation of $985-million for W.P.A. activities in the fiscal year beginning July 1 was requested of a House appropriations subcommittee by Col. F. C. Harrington, Works Projects Commissioner.

The figure is about $500-million less than amount being spent this year. In view of the fact that depletion of the present fund is expected to cause dismissal of 700,000 workers by June 30, it is likely Harrington's requested appropriation will be increased by Congress.

COMMENT: A real dilemma faces Senators and Representatives on the issue of relief spending. On the one hand they are confronted with an unprecedented, ever-mounting Federal debt and on the other with millions of jobless Americans in need of relief.

Unless the unemployed get work in private industry they must remain charges of the Government.

No one in America should starve. No one should be in dire want of clothing and shelter. This, the richest nation in the world, should be able to take care of its citizens—through private enterprise. Only by economic reform can this be achieved.

Says Government Officials Earn Money Illegally

THE NEWS: In direct violation of law, many Federal officials have used their Government positions to develop lucrative lecture side-lines at the expense of their subordinates, E. Claude Babcock, president of the Federal Personnel Association, told the *Chicago Tribune* recently.

Babcock, former secretary of the United States Civil Service Commission, said the officials accept assignments to lecture on matters pertaining to Government service, then solicit attendance to their courses.

Employes "invited" to sign up for the courses, which cost between $15 and $60, are reluctant to decline the "invitation" of their bosses. Besides, Babcock said, the lectures are described as pathways to promotion.

COMMENT: Friends of the Administration might be tempted to dismiss this story as "just another piece of anti-New Deal propaganda," emanating from the *Tribune*, a prejudiced source.

It is difficult, however, to dismiss the facts upon which the story is based.

Listed as an outstanding example of Government officials who turn their public positions to private advantage, is Arthur J. Altmeyer, chairman of the Social Security Board. The American University School of Public Affairs lists him, says the *Tribune*, as lecturer on "principles and current problems of social security." He receives a salary, as do other public officials on the school's faculty. Seventeen of them, including an economic adviser to Agriculture Secretary Wallace, are on the school's payroll.

Some Write, Sell Books

Several other Federal jobholders have written or are writing books concerning their work, to be retailed for the authors' profit.

"When an official steps into a classroom," said Babcock, "and sells knowledge paid for by the public, then I think it is highly unethical. He is selling something that belongs not to him but to the Government. He is impliedly selling information that will help promotion. I don't see any difference between that and a Congressman selling a postoffice appointment—it's the same thing."

Strict interpretation of the Social Security Act of 1935 would seem to show that Altmeyer's actions are definitely illegal. The Act states specifically that no member of the Social Security board "shall engage in any other business, vocation, or employment . . ."

Law Forbids 'Outside' Jobs

Furthermore, the Civil Service Act forbids "any said commissioner, examiner, copyist, or any person in the public service" from willfully and corruptly furnishing "to any person any special or secret information for the purpose of either improving or injuring the prospects or chances of any person so examined, or to be examined, being appointed, employed or promoted . . ."

Violations carry a maximum fine of $100 to $1,000 or imprisonment from 10 days to 1 year, or both.

The practices cited by Babcock have become quite general in Washington in the last few years. It is about time public officials confine their activities to the work for which the taxpayers are paying them, especially in view of the fact that their teaching and journalistic endeavors are illegal.

Canadian Riles Senators With U. S. War Suggestion

THE NEWS: The declaration by the Attorney General of Ontario, Canada, that Canadians should do everything within their power to "enlist the active support of the United States in the cause of the Allies" drew bitter denunciations in the Senate.

Senator Gerald Nye of North Dakota declared that a campaign of "concentrated propaganda" had begun in Canada for the purpose of drawing the United States into the European war.

COMMENT: As Senator Rush Holt of West Virginia remarked, the words of the Ontario Attorney General, Gordon Conant, perhaps did not reflect the thoughts of Canadian people any more than the recent speech of James H. R. Cromwell represented the convictions of Americans.

Whether it was indicative of the policies henceforth to be followed by the Canadian Government, however, is at least thought-provoking.

Conant may have made his assertion strictly of his own accord, as official Washington says Cromwell did.

In that case citizens of the United States should entertain no animosity toward the people of Canada.

There is little doubt that the governments of Canada, along with those of England and France, would like to have the help of the United States in their war against Hitlerism. So far, however, they have not openly admitted it.

When apprised of Conant's explosive remarks, Premier Mitchell Hepburn of Ontario declared that, had he seen the speech in advance, he would have warned of its possible "international complications."

In other words, he disclaims any knowledge of the talk prior to its delivery. Surface indications, therefore, are that the alleged "concentrated campaign" to involve this country in war is still under wraps as far as the people of both nations are concerned.

NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin
Published by The Social Justice Publishing Co.

LOUIS B. WARD, *Editorial Director*
E. PERRIN SCHWARTZ, *Editor*

10 PRINCIPLES OF SOCIAL JUSTICE

Liberty of conscience and education.
Just living annual wage
Nationalization of important public resources.
Private ownership of all other property.
Control of private property for public good.
Abolition of Federal Reserve Banking System and establishment of a Government-owned Central Bank.
Restoration to Congress of its sole right to coin and regulate the value of money.
Cost of living maintained on an even keel.
Cost of production plus a fair profit for the farmer.
Labor's right to organize.
Recall of non-productive bonds.
Abolition of tax-exempt bonds.
Broadened base of taxation on basis of ownership and capacity to pay
Simplification of Government and lower taxes.
Conscription of wealth as well as men in event of war
Sanctity of human rights preferred to sanctity of property with Government's chief concern for the poor

Sound Advice

IN A LETTER SIGNED by the Reverend Amos B. Horlacher, chairman of the Economic Justice Commission of the Brooklyn, N.Y., Church and Mission Federation, and by the Reverend Henry Carpenter, executive secretary of the federation, Brooklyn ministers were warned against Communists who seek to enlist their support under the guise of representing plausible social causes.

"Have the Communists called on you yet?" the letter asks. Describing the typical Communist technique, the letter continues: "You will be asked to co-operate in some program which should, on its face, enlist the interest and support of the minister and his church." There follows these timely words of sound advice: "They (the Communists) have the kiss of death for any social program. If you are not thoroughly sure of the character of an organization or group with which you are invited to co-operate, call this office or the headquarters of the group represented to obtain particulars as to where it stands as to Communism and its affiliates. You can always recognize a Communist-inspired group by the use of their slogan: 'The Yanks are not coming'."

This advice is good not only for ministers but for men in public life, for officers of social and civic groups and for private individuals.

The power wielded by a numerically small but highly organized and tireless group of Communists, as Congressman Dies has often pointed out, is made possible through the enlisting of well-intentioned people who do not suspect the sinister purpose behind many apparently harmless organizations.

Those who followed the technique of the Red propagandists for "Loyalist" Spain to enlist American sympathy know how effective this method is. Eternal vigilance is the price of liberty. Lack of vigilance results in selling out to the Communists, lock, stock and barrel. Only after the harm is done is it realized what a flim-flam game has been played.

American Professor Abroad

THE *New York Times*, March 7, 1940, printed a special article written by W. F. Leysmith from London and carrying the caption "British May Ask America's Aid to Prepare Soldiers for Civil Life."

The article contained the news that American professors may soon be invited to England "to aid the British educational authorities in keeping the minds of men and women in the fighting service alive, retaining their interest in cultural matters and teaching them to think."

Under the leadership of Dr. Basil Yeaxlee of Oxford University, the courses are programmed under the control of commanding officers of the army.

One of the objects of the series of lectures of the American professors, under Oxford leadership, is to explain to the soldiers why Europe is now at war. It is openly proclaimed that it is necessary to inculcate into the youth in the army who have been brought up in the philosophy of peace, the essential historical facts of the background of the present war.

Obviously the Rhodes Scholars are to be supplemented by American professors sent abroad as outlined in SOCIAL JUSTICE in the fifth of the series of articles on the "Causes of Modern War" entitled *Propaganda As a Cause For War.*

The Living Annual Wage in Hollywood

THE REPORTS OF recent years indicate that among the leaders in earnings in all America are the Hollywood cinema artists.

Behind the fantastic salaries paid them is the sordid story of the absence of the living annual wage in Hollywood. The *Film Daily Year Book*, published on March 29, is authority for the statistics of wage payments carried in the press of the country.

There are 10,000 "extras" working in the movie colony. One received $3,000 which represented maximum hours at the average pay. Fifty-eight received between $2,000 and $3,000; 868, $1,000 to $2,000; 2,073 from $500 to $1,000, and 7,000 below $500.

In all the 10,000 received $3,124,672 or an average of $312 for a year's work. *The day's pay averaged $10.61, so the Hollywood extra with the high unit price per day suffered because there was less than thirty days of work per year.*

In place of the $3,124,672, the living annual wage would have contributed $18-million if all could have been employed and this at the rate of $6.00 a day instead of $10.00. Granted that all could not be employed, which is undoubtedly true, the problem still remains of establishing in our economy not a high unit wage for a few days but, insofar as it is practical, the living annual wage for those who can be continuously employed.

The wage system, as illustrated by the "extras" of Hollywood, means the distribution of poverty and not of wealth.

Thinking Habits

JUST AS NATURE despises a vacuum, so the average human mind hates to reduce the specific words, the illustration and the phenomena in our every day lives to first principles.

Minds seemingly hate to, for example, challenge imperialism on the basis of the God-given gift of nationality. Contrary-wise, men will strike viciously at the Communistic characters of a Lenin, Trotsky, Stalin and fail utterly to reduce their thinking to the philosophy behind the agency, namely, the Communistic philosophy of Karl Marx.

The danger of this type of thinking which permits the people to concentrate on individuals rather than on principles is simply that, in the field of social and political, characters rapidly change as platforms are rapidly modified.

The principles of Communism formed the credo of the Bolsheviki in 1917 and for many years thereafter.

Yet, clothed with the responsibility of government, Communism in practice borrowed one by one the principles of modern capitalism since the very day the new order was in power at the Kremlin.

Two decades later, characters in charge of the Russian adventure reached hands across the border to engage in treaty relationships with their Nazi brothers, submerging the last vestiges of Marx beneath the bilateral compact of peace with the philosophic enemy.

Step by step all the indictments levied against world characters because of their Marxian tenets disappeared, yet the falsity of the tenets endures. While such falsity endures, the world is silent for it fails utterly to think in terms of principles and only in men, motives and immediacies.

Father Coughlin's Work

ONE OF THE FINEST tributes ever paid Father Coughlin came to light recently, on the occasion of a review of testimony taken before the subcommittee of the House Committee on Banking and Currency.

At the time of the hearing, before which Father Coughlin appeared, Congressman T. Alan Goldsborough, chairman of the subcommittee said to the Radio Priest:

"Father Coughlin, on behalf of the subcommittee of the House and the full committee, I want to express our great thanks to you for taking your time to come before the committee and giving us this information and inspiration.

"I hope it is permissible for me to say that your work has done more to dispel the concept some people have, that the churches believe in this world for the rich and the next world for the poor, than any other influence I know anything about."

In these times, when Communistic enemies of Father Coughlin participate in a field day of vilification of his person, character and work, the recollection of such a tribute is refreshing indeed.

The German White Book

THE ALLEGATIONS OF un-neutral acts by the United States as carried in the German White Book will never be satisfactorily answered without an official investigation or until the Department of State releases, in the years to come, the truths of diplomatic history concerning our activities today.

In 1918 the American public had not the faintest conception of what was going on in American diplomacy. The recently published papers of the Hon. Robert Lansing now prove that within a matter of months American diplomacy was standing steadfastly behind the czaristic regime, the Kerensky government and Lenin's bolshevist state.

In a letter dated August 29, 1918, from Robert Lansing to President Wilson, the Secretary of State asked the President to "name one to be clothed with sufficient authority to get the necessary information on the military supplies needed by the Bolsheviks to encourage them to fight Germany."

President Wilson replied on September 2, 1918, asking Secretary Lansing to consult with Mr. Bernard Baruch about the matter as he was familiar with the available stocks in the hands of the War Department.

In the following days of September it was decided to give direct aid to the Czecho-Slovaks.

In a letter of September 9, 1918, Mr. Lansing stated: "Our confidence in the Czech forces has been justified and the fact that now a Russian military force of equal strength has joined them, combined with the gratifying reception given the Czechs by the civilian population of the localities occupied, is strong evidence to prove that the Russians are entirely satisfied to co-operate with the Czechs in Russia and that assistance to the Czechs amounts to assistance to the Russians."

In the same letter the Secretary stated: "In order to render protection and help to the Czecho-Slovaks it is clear we must get them military supplies, viz.: clothing, shoes, arms and ammunition. This can be done with the assistance of Mr. Baruch with whom I have consulted and I understand that you are prepared to supply the necessary money from your War Fund."

Yet, by September 14, 1918, all attempts to succor the Bolsheviks had been abandoned. The American people can take "with a grain of salt," with "three grains of salt" or with a ton of salt, the publication of the German White Book. The same State Department that condemns the German White Book, however, itself publishes the Lansing papers showing the intrigues of American diplomacy in the years between 1914 and 1920.

Catholics and the War

THE FOLLOWING EDITORIAL is reproduced verbatim from the *Union and Echo* of March 28, a Catholic journal, published weekly in the Diocese of Buffalo.

"Monsignor John A. Ryan, prominent Catholic sociologist and moralist, appears in the March 22 issue of the *Commonweal* with the leading article entitled: *Confusions About the War.* The writer's views concerning the present European conflict, having been publicised some months ago, may again be presented by quoting the closing lines of the last paragraph in the article just referred to. Dr. Ryan ends his *Confusions About the War* with the following disturbing note: 'That the Allies have a just cause is proved by the ends which are bound up with their triumph, and also by the enormous evil effects which would derive from their defeat. Some of the reasons offered to justify an attitude of mental neutrality, or even of sympathy with the Nazis, are shallow, unrealistic and ethically invalid.'

"Monsignor Ryan is, in our opinion, particularly unfortunate in his brief in behalf of the Allies and their successful prosecution of the present European war. It is the duty of Catholics everywhere, particularly in neutral countries, to bring all available pressure to bear against continuation of this insane conflict and in behalf of peace. We hold this to be true regardless of the arguments that can be marshaled for the justice of the cause of either belligerent. A continuation of this conflict, even though it effected the 'destruction of Hitlerism' to use the words of Dr. Ryan, will serve only to make possible the spread of a radical atheism, Bolshevism, and all forms of anti-Godism. Hitler and Hitlerism may be removed as a result of an Allied victory, but only to make way for a chaos that would for long decades eclipse Christianity. Indeed, who can doubt that even if peace were concluded today, the threat of an atheistic Communism spreading throughout Christian Europe is greater now than on September 1 of last year?

"Surely, Dr. Ryan does not believe that a war which will inevitably make way for the forces of irreligion and anti-Christianity is justified, no matter what arguments can be marshaled in behalf of the justice of the cause of either belligerent. And even here we are not convinced by the learned moralist's argument that Hitlerism is the only evil to be eradicated in Western civilization today."

Behind The News

New York Defends Its Morals

The decision of New York Justice John E. McGeehan voiding the appointment of Bertrand Russell to the faculty of City College, in which he stated: "A man whose life and teachings run counter to these doctrines (of The Founding Fathers relating to the sanctity of moral teachings) and who teaches immorality and who encourages and avows violations of the Penal law . . . is not fit to teach in any of the schools of this land," refreshed the vigor of the determination of the great majority of New Yorkers to stand firm in their defense of morality in their tax-supported schools.

The investigation voted unanimously by the New York State Legislature, as the result of a resolution introduced by Senator Dunnigan, has tremendous popular support.

The New York *Journal-American* editorially enumerates some of the questions that New York City taxpayers are demanding answers to under the present legislative investigation.

Declaring that the members of the legislature have been "profoundly shocked" by the Russell episode and "the complicity of the Municipal Civil Service Commission, under President Paul J. Kern, in the Jablonower affair," the *Journal-American* continues:

"The Committee and the public will know WHY Dr. Frederick Robinson was virtually persecuted out of City College.

"The Committee and the public will know WHY—and HOW—Dr. Colligan was lately forced out of the Presidency of Hunter College . . . WHY, at Brooklyn College, the attempt is being made to expel Professor Michael Wermel and Professor John Griffin from teaching memberships in the Department of Economics . . . WHY a Karl Marx Forum was chartered at Brooklyn College at the same Faculty meeting where a charter for a Reserve Officers Training Corps unit was refused . . . WHY a member of the Young Communist League is being allowed to teach Communism at Hunter College, using as a text book a *"History of the Communist Party of Soviet Russia"* which was edited, in part, by Josef Stalin . . . HOW, and to what extent, the American Student Union, one of the exposed 'transmission belts' of Communism, operates in the high schools and colleges . . ."

Honest New Yorkers must defend their religion and their morality or be content to accept the Communistic way of life. *The outcome in New York will have a tremendous reaction for better or for worse throughout the country.*

* * *

Straws in the Wind

Indicative of the attitude of mind among some members of the New York Board of Education towards religion in education is the statement, quoted by the *New York Times* of March 30, by Mrs. Johanna Lindlof, chairman of the Board's instructional affairs committee, condemning the McLaughlin-Coudert Bill permitting religious instruction on school time as "un-American and thoroughly vicious."

Mrs. Lindlof is reported as believing that the Bill would destroy the American concept of freedom of religion and of the public schools and promote hatred and bigotry.

A similar stand was taken by Dale Zysman, vice-president of the Teachers Union, who declared that the "cherished American tradition of the separation of Church and State" required the total separation of religious education from public school education.

Spivak Jailed Once More on Libel Charge

PITTSBURGH, PA.—John Louis Spivak, writer of Communist attacks on Father Coughlin, was back in jail last week on a fugitive-from-justice warrant obtained by Professor Kurt Sepmeier of Wichita University, Kansas.

The Red author and journalist had first been incarcerated two weeks ago on a criminal libel charge filed by Edward Francis Sullivan, former chief investigator for the Dies Committee. Like Mr. Sullivan, Professor Sepmeier also charged he had been criminally libeled by Spivak's writings.

Professor Sepmeier's action put Spivak in a Pittsburgh prison for the third time in a fortnight. After being released following his first arrest, Spivak was hailed before Judge Thomas Marshall and told his $5,000 bond was not "worth the paper it was printed on."

The prisoner spent the night in jail and next day found a new bondsman in the person of Meyer Talenfeld. The new bond was also denied by the judge as Mr. Talenfeld had recently been convicted of bribing an assistant district attorney.

When Spivak finally managed to secure a bond that was accepted, he was quickly apprehended again on Professor Sepmeier's warrant. This time bail was raised to $7,000 and the journalist remained in prison two more days before he was able to put up the necessary funds.

Meanwhile, Pittsburgh authorities are still amazed at the scene made by Mr. Spivak two weeks ago when police first arrested him. Screaming that he was being taken for a ride by gangsters although he was safely in the hands of policemen, Spivak forced officers to gag him with his own hat to keep him quiet.

When not in jail, Spivak lectures for the *New Masses*, official Communist weekly, which has been urging the Department of Justice to arrest Father Coughlin as a Nazi agent.

False Press Story Marks Trial Opening

Jury Selected in Case of 17 Charged With Plotting Against Government

By Staff Correspondent of SOCIAL JUSTICE

NEW YORK, N. Y.—"Fireworks" were predicted by U.S. Attorney Harold M. Kennedy last week as the trial of the 17 young men accused of conspiracy against the Government got under way and a minor display was set off even before the selection of the first juror.

April 3, the day the case was officially opened, the Associated Press sent out a story to the effect that the prosecution would try to obtain an "all-Protestant jury." The dispatch, however, proved to be made out of whole cloth. Mr. Kennedy immediately denied it, and Judge Marcus B. Campbell, senior judge of the Eastern District, under whom the trial will be conducted, summoned the offending reporter, one Harry Bates, to a consultation in his chamber with the other lawyers.

Mr. Bates said the mistake was made by a rewrite man. Nevertheless, Martin Conboy, counsel for Michael Bierne, demanded a new jury panel on the ground that the published report, which stated that Catholics and Jews would be barred as jurymen, was prejudicial to the defendants.

Judge Campbell denied the motion, adding, "This Court can't be ruled by unauthorized newspaper statements."

Selection of Jury Completed After Questioning

April 4, the selection of 12 jurors and 2 alternates was finished after a series of long and tedious questions. Prospective jurors were asked if they were members of the armed forces of the United States, if they read the column of Walter Winchell, if they belonged to shooting clubs, if they listened to controversial broadcasts, if they belonged to the American League for Peace and Democracy, the American Labor Party, the Communist Party and other organizations.

One woman was excused because she said she read SOCIAL JUSTICE. A man was rejected for having once been on the WPA. One of the most interesting questions and one which gave a hint of what is to come was whether the prospective jurors had ever heard of the Irish Republican Army.

Three months ago SOCIAL JUSTICE revealed that many of the questions asked the defendants by G-Men dealt with funds collected in this country for the I.R.A.

Trial Expected to Last a Month

As the trial began, both prosecution and defense agreed that it would last at least a month if not longer. Entrance to the large, airy court room on the third floor of the Federal Building was limited to those carrying special passes. To prevent any disturbance the passes were reported to have been equally divided between friends and relatives of the prisoners and sympathizers with the prosecution.

Foreman of the jury is Mrs. Helen R. Titus, Brooklyn housewife, who is the first woman to serve in such a position in Brooklyn Federal Court.

Relying on Mr. Kennedy's promise of "fireworks," the American press is expecting the trial to develop into one of the sensations of the 20th century. A section of the second floor of the Federal Building has been turned over to newspapermen and private wires have been installed for the three large press services.

As the trial opened, John Cassidy, one of the defendants, made the following declaration, which was mentioned in the *New York Herald-Tribune*.

"Twenty thousand people gather every now and then in Madison Square Garden," Mr. Cassidy stated, "and say they'll overthrow the Government. Then when we say we won't let them, the thing's twisted around to say it's our own idea."

Attorney Cites 'Most Flagrant' Case of Usury: $4,395 Interest on $50 Loan

AN ASSISTANT United States Attorney termed the following story one of the most flagrant examples of usury ever to come to his attention.

The story is taken from the New York *Herald-Tribune*.

"A Bronx housewife's experience with a loan shark who, the Government charges, extracted $4,395 from her after extending an original loan of $50 to her, came to light in United States District Court when a Federal grand jury indicted the woman and the money lender.

"The indictment, of nine counts, alleges that the woman forged indorsements on and cashed $2,500 worth of postal savings certificates which it says she stole from her mother in the course of her frantic efforts to meet the money lender's ever-mounting demands. It charges that the loan shark aided and conspired with her in the forgery.

Agreed to $10 Weekly Interest on $50 Loan

"For the woman, twenty-nine-year-old Mrs. Grace Basso, of 3604 Olinville Avenue, the Bronx, the indictment was but another incident in a chain of distressing incidents which have followed in the wake of a loan she obtained from Anthony Belotti, of the same address, in the spring of 1938. The mother of four children, ranging in ages from four to fifteen years, she borrowed the money without the knowledge of her husband, Joseph, a barber, when she found that her $25-a-week allowance for household expenses was not enough for little luxuries such as a motion picture show or an extra pair of stockings.

"Believing that she would be able to pay off the loan in short order, Mrs. Basso agreed to pay $10 a week interest. At the end of a week, when she owed $60, Belotti seemed to be in no hurry for his money. . . .

"In the ensuing months in her efforts to pay off the pyramiding debt, the Government charges, she forged her brother's name to a bank account which she held in trust for him. On fourteen separate occasions Mrs. Basso withdrew money from the account until, on Feb. 27, 1939, all the $1,300 in the account had been withdrawn and paid to Belotti.

Paid $4,395, but Still Owed $400!

"Then, the Government charges, followed thefts of the $2,500 in postal certificates belonging to her mother, and the cash realized from these went to Belotti. Next Mrs. Basso persuaded her husband to withdraw money which he had in a small checking account and turn it over to her for deposit in a savings bank, where it would gather interest. The Government says that money likewise went to Belotti and that some of the household money and $20 which Mrs. Basso raised by pawning two small diamond-studded rings which she had, also wound up in the money lender's hands.

"Finally Mrs. Basso had paid Belotti $4,395, the Government says, and he told her that $400 was still owed to him. At this point the law stepped in and Mrs. Basso was indicted by a Bronx County grand jury on charges of forgery and grand larceny in the misappropriation of the funds from her brother's bank account. Next came the Federal investigation and yesterday's indictment resulted.

"In arraigning Belotti in United States District Court, Jerome Doyle, Assistant United States Attorney, told Judge Samuel Mandelbaum that the case was one of the most flagrant examples of usury ever to come to his attention. Mr. Doyle figured that the interest rate was 1,040 per cent. Belotti was held in $7,500 bail. Mrs. Basso, who is expected to tell her story as a witness for the Government against Belotti, will be arraigned later."

The Sunday Broadcast

Flaws In Our Money System

By REV. CHARLES E. COUGHLIN

The following is an extensive excerpt from Father Coughlin's broadcast, Sunday, April 7, 1940. Those who desire it may obtain a complete text of the broadcast simply by addressing a letter of request to Father Coughlin at Royal Oak, Michigan.

IN A SPIRIT OF co-operation rather than of criticism I approach the discussion of one phase of our financial system. In doing so, let it be clear that I am neither impugning any man nor questioning any motive. I am trying to make a contribution of facts which will enable all in this audience to weigh our *de facto* financial system which, to my mind, is not only obsolete in so far as it is unable to meet the present needs of modern society but which, if sustained in its present activities, will produce untold misery in this land that is teeming with wealth.

After all, our present financial system is a human invention. Like all products of the human mind it can be purchased.

Thus, to the point: Last Sunday I brought to your attention a release made public by our Treasury Department in which it was stated that our Federal debt, or obligations represented in bonds, amounts to $45,400,000,000 as of June 30, 1939. Of this vast amount the commercial and savings banks of the nation hold $18,800,000,000 of these bonds. In all, not counting what private individuals or non-financial corporations own, there are approximately $30-billion of these bonds held in banks, insurance companies and other financial or quasi-financial corporations.

That is a tremendous amount of money. Our question is: How did the banks and financial institutions, in the first place, acquire this money? To answer this question one is constrained to inquire: How did these bonds come into existence and what is their nature?

Same Facts Pertinent to the Federal Reserve Banks

Before engaging your attention with the discussion of the above questions, it is necessary to review some facts pertinent to the Federal Reserve Banks. On December 23, 1913—27 years ago—a Federal Reserve Act was approved by the Congress of the United States. This act permitted bankers to establish a bankers' bank—or, to be more precise, 12 bankers' banks situated one in each regional division of the United States of America.

During the course of years, the original Federal Reserve Act was amended, or perfected. On June 1, 1933, the amended Federal Reserve Act, according to Government documents, was passed "to provide for the establishment of Federal Reserve Banks, to furnish an elastic currency" and for other purposes.

According to law (p. 3, Federal Reserve Act of 1933) "every national banking association . . . shall be required within thirty days . . . to subscribe to the capital stock of such Federal Reserve Banks in a sum equal to 6 percentum of the paid up capital stock and surplus of such bank . . ."

In other words your local bank, belonging to the Federal Reserve System (and there are very few banks in the United States not belonging to it) is a part owner of the Federal Reserve Banking System. The entire Federal Reserve Banking System is owned by the local banks which, in turn, are owned by stockholders who are, generally speaking, men and women living in your own community. To quote the Federal Reserve Act again, we read: (p. 3, Federal Reserve Act) "the shareholders of every Federal Reserve Bank shall be held individually responsible . . . for all contracts, debts and engagements of such banks to the extent of the amount of their subscriptions" to the stock of the Federal Reserve Bank.

Federal Reserve Bank System, Privately Owned

In other words, the Federal Reserve Banking System is a privately owned corporation. It is not a Government owned corporation as some persons believe.

As factual as is the statement that the Federal Reserve Banks are privately owned corporations—not Government owned corporations — it is both amusing and alarming to learn that not only some factory workers but also some professional and business men labor under the impression that the Federal Reserve Banking System is a Government owned corporation. In the official hearings previous to the passage of the Banking Act of 1935, we read on page 304 of this Government document the following classic conversation which took place between the late Senator James Couzens of Michigan, Marriner Eccles, the Governor of the Federal Reserve Board—not the Governor of the Federal Reserve Banks—and Senator Townsend. Here it is:

"Senator Couzens: Have you ever heard of the criticism that exists among the ordinary depositors of the fact that they felt that when they saw 'Federal' on these windows that they felt that they were guaranteed and taken care of by the Federal Government?

"Governor Eccles: I haven't heard that.

"Senator Couzens: Never heard that?

"Governor Eccles: No.

"Senator Couzens: I have had a number of letters to that effect.

"Senator Townsend: You have heard of criticism of the names of banks, for example, the United States Bank?

"Governor Eccles: Yes; I have; I have heard that criticism, but never of the Federal Reserve System.

"Senator Townsend: Well, they were a member of the Federal Reserve System.

"Governor Eccles: Yes; but I have not heard of cases where people felt, simply because a bank was a member of the Federal Reserve System, that it was a Government-owned bank. I have heard of cases where people thought that a first national bank was Government owned; but those cases, I think, are quite remote."

Seek to Keep Banks Out of Political Hands

Governor Eccles of the Federal Reserve Board was very innocent, or else overestimated the knowledge of the American public. As a matter of fact, many persons at that time believed that the Federal Reserve Banks were owned by the Government.

Although, according to the Constitution of the United States of America, Congress has the right to coin and regulate the value of money and of foreign coins, nevertheless, the Federal Reserve Act specifically states on page 9 that "no Senator or Representative in Congress shall be a member of the Federal Reserve Board or an official or a director of the Federal Reserve Bank." Presumably this ineligibility of Congressmen to serve on the Board of Directors of the Federal Reserve Bank is to keep the banks out of politics.

There are three more points relative to the Federal Reserve Banks that may prove to be interesting before I transfer your attention to the subject of bonds.

The first point answers the question: Who makes the profits from the operations of the Federal Reserve Banks? Page 14 of the Federal Reserve Act says:

No Profit, Save Stock, to U. S. Government

"After all necessary expenses of a Federal Reserve Bank shall have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 per centum on the paid-in capital stock, which dividend shall be cumulative. After the aforesaid dividend claims have been fully met, the net earnings shall be paid into the surplus fund of the Federal Reserve Bank.

"The net earnings derived by the United States from Federal Reserve Banks shall, in the discretion of the Secretary, be used to supplement the gold reserve held against outstanding United States notes, or shall be applied to the reduction of the outstanding bonded indebtedness of the United States under regulations to be prescribed by the Secretary of the Treasury."

In other words, no profits accrue to the United States Government from the direct operations of these banks except in so far as the Government, in some rare instances, own stock in some local bank.

The second point is this:

"Federal reserve banks, including the capital stock and surplus therein, and the income derived therefrom shall be exempt from Federal, State, and local taxation, except taxes upon real estate." (p. 15, Federal Reserve Act).

In other words, this privately owned corporation, gigantic in size and in operations, is tax-exempt except for real estate purposes.

Failed to Avert Panics of 1920 and 1929

The third point relates to the Federal Reserve Board. According to the Federal Reserve Act, a governing board is created consisting of eight members, including the Secretary of the Treasury and the Comptroller of the Currency and six private citizens appointed by the President of the United States by and with the advice and consent of the Senate. These eight persons are the Government watch-dogs, as it were, whose business it is to see that the Federal Reserve Banks operate legally. The salaries and expenses of six of the members of the Board are paid by the Federal Reserve Banks. The Federal Reserve Board enjoys the same relation to the Federal Reserve Banks as does the Federal Communications Commission, for example, to the privately owned radio stations and telegraph corporations like Western Union and Postal.

This Federal Reserve Board has been in existence since the Federal Reserve Banks were established, that is in 1913. It was in existence during the panic of 1920, and failed to avert it although every person knew it was a financial panic. It was in existence in 1929, and failed to avert the depression which was notorious, among other causes, for its unreasonable debt inflation.

Still withal there are many honest men who adopt the viewpoint that our present financial system is sound as long as the Federal Reserve Board, vested with definite powers, is the watch-dog of the Federal Reserve Banks—12 privately owned corporations which, as I will show, create the money we use at a profit for themselves; put it into the stream of business or withdraw it therefrom; pay no taxes to the Government although, practically speaking, they enjoy the monopoly of money creation; and, in one sense, run little risk, in so far as the Government guarantees deposits in local banks up to a given sum.

Taxpayers Must Redeem Government Bonds

With this skeleton background of the Federal Reserve Banks in mind, let us now proceed to the subject of the billions upon billions of dollars worth of bonds which the banks, members of the Federal Reserve, hold in their vaults. First of all, a Government bond is a promise made by the Government to pay the bondholder the sum plus the interest in lawful money represented by the bond. It means that for every Federal bond extant, the taxpayers of the nation must surrender part of their wages or earnings to redeem that bond which, after all, is a mortgage upon their pay envelopes, their houses, their factories, their farms

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The FRENCH GUILDS and The 'Bibles of the Poor'

Labor Unions of Today May Learn Many Lessons from Guilds of Yesteryear

By LOUIS B. WARD
Editorial Director of SOCIAL JUSTICE

In presenting his sixth article on the ancient guilds, Mr. Ward explains the merits and shortcomings of the guilds of France, and their contribution to the religious spirit of the day. His next article will deal with the Italian guilds.

A LIE FOUR CENTURIES old still passes currently in America. Definitely stated by a hundred historians, it is to the effect that in the Middle Ages the Bible was kept from the people. This very week a pamphlet has been sent to the desk of the author of this series repeating the old, old falsehood that the Church never permitted her sons access to the Bible.

To the everlasting credit of the medieval Church and to the guilds of France, the Bible was the one master book for centuries.

A cross section of a thousand workers today would fail to reveal more than a handful who could trace the stories of the Old Testament and the New. Yet practically all the workers are literate and have had the advantage of a *free* educational system in one sense of the word and a *compulsory* educational system in another.

It was not the Middle Ages that demonstrated the lack of knowledge of the good book. It is our modern age.

Artisans 'Wrote' Bible in Craft Works

The artisans of the Middle Ages, mostly illiterate, "wrote" the Bible in one hundred and fifty cathedrals in France. They re-wrote the Bible in granite and in marble. They re-wrote it in fresco and in mural. They re-wrote it in the stained glass windows and they re-wrote it in the unrivalled wood carving of their day. Thus, these cathedrals came to be called the "Bibles of the poor."

Although the foundation stone of Notre Dame de Paris was laid in the year 1163, it was the great Louis of France who called in the law-giver, Etienne Boiliau, to write for the king the statutes of the guilds of Paris which remained in force until the French Revolution.

Notre Dame de Paris is perhaps the best known cathedral to the American traveler. The American abroad wants to see Paris and on his way down from the Channel port of Cherbourg he is wholly unwilling to break his journey with a visit to Amiens. He has little time to spend Cathedral-visiting except, perhaps, to see Notre Dame and Rheims.

Notre Dame de Paris, Typical Example

In a study of the guilds it is necessary to understand the contributions of the workman of France. He built the "Bible of the poor" at Amiens, Rheims, Paris, Bourges, Tours, Lemans and Chartres.

Nor is this list at all exhaustive. It is merely suggestive of the handicraft of the artisans and artists of those days. As a specific example the story of Notre Dame is interesting.

His Excellency, Maurice de Sully, Bishop of Paris, planned the conversion of two separate chapels into a single cathedral. One church was the fourth century edifice of St. Etienne and the other was the sixth century church of St. Childebert. Pope Alexander III laid the foundation stone in 1163. A quarter of a century later, 1189, the high altar was dedicated. The nave was completed in 1208, the famous west front in 1240, the girdle of thirty-seven chapels in 1315 and the cathedral was consecrated in 1864.

In the Middle Ages in France, the masters of the fine arts were largely in the monasteries while the artisans, of course, were in the guilds. Throughout the centuries no man can count the number of artisans who built any of the great cathedrals of France.

The masons were represented, of course, in the substructure and superstructures of the church proper. A 13-ton bell, the "bourdon de Notre Dame," was the product of the guild. This bell was recast in 1686.

Gargoyles Depict Vice and Virtue

The great hinges of wrought iron, the product of the 13th century, are still to be seen, a masterpiece of the ironsmith's work.

The gargoyles depicted every vice and every virtue. The statues, the famous wood carving—most of which have been destroyed — the stained glass windows—many of which have had to be replaced—and the paintings, all are the work of the guilds. The tapestries supplemented the other art and the goldsmiths were called in to exercise their marvelous handicraft on the reliquaries.

The artisans, of course, worked under the direction of the greatest architects of all time. Yet these architects remain unknown. Jean de Chelles is the only medieval architect whose name has come down to the present day in connection with the centuries of work on this great structure.

It was Victor Hugo who recorded the thought that humanity had nothing important that it did not write in stone in the Middle Ages. Christ was the center in the mind of the architect and the mind of the humble artisan. The poor had displayed before them in stone, in wood carving, and particularly in stained glass the entire drama of Biblical history.

Fine Arts Dramatized Essential Knowledge

Every dogma of the Church is to be found represented pictorially in the principal cathedrals of France. The lives of all the great saints have been illustrated in stone, wood, tapestry and glass. The vices and the virtues, as we have said, are placed in juxtaposition.

Science, oratory, music, drama and the arts and graces are, likewise, carried permanently in the cathedral walls. All that was necessary to know was dramatized in the fine arts.

For example, in the cathedral at Laon, Almighty God is pictured planning creation by counting the six days on his fingers. God also is pictured as on the seventh day, like the good workman, he sits down to rest.

At Chartres there was a pagan temple where Druidical worship was practiced. In the year 1020, Fulbert, a Bishop, and Robert the Pious decided to build a monument in the place of the pagan temple to shelter the *Sancta Camisa*—the tunic of the Blessed Virgin which had been sent by Constantine V to Charlemagne in the year 792. Charles the Bald presented it to Chartres.

Rebuilding of Chartres, French 'Crusade'

Chartres was destroyed by fire in 1134 and in its rebuilding, the world has one of the most dramatic stories of the ages. All France participated in a state of religious exaltation in the enthusiasm of rebuilding Chartres. The history of that rebuilding is found in part in Huysman's *"The Cathedral."*

From the annals of the Benedictine Order, Huysmans obtained his original documents and supplemented them by other manuscripts from the *Bibliotheque Nationale* and from a Latin book of the Miracles of Notre Dame found in the Vatican Library.

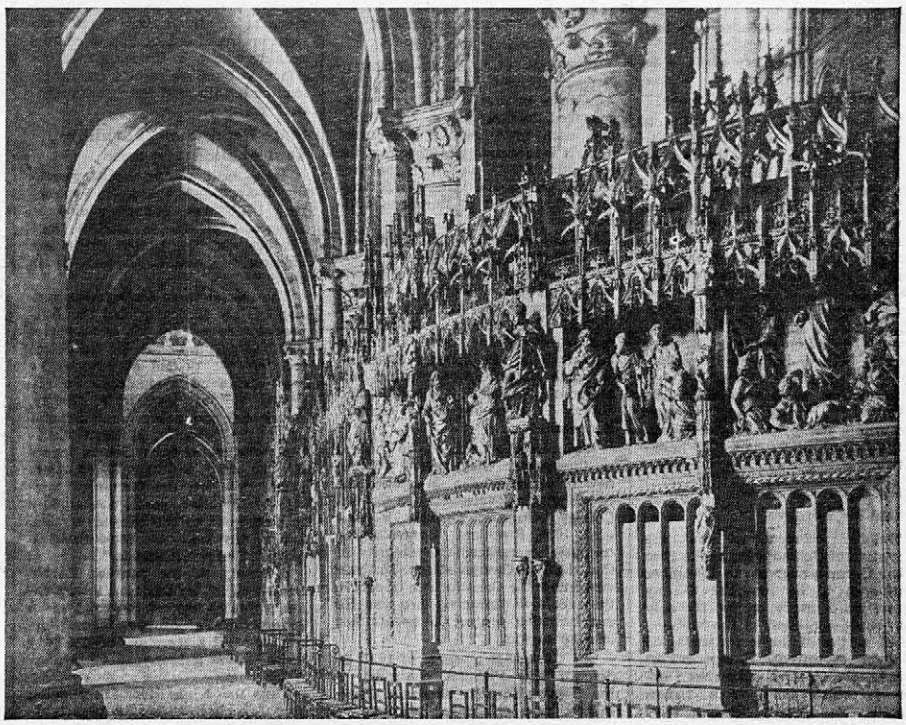
France participated in a virtual crusade in the rebuilding of Chartres, dedicated, of course, to the Blessed Virgin. All classes of people seemingly regarded her as being denied a roof, as she once was on the eve of the birth of her Son. The Madonna was without a home. The rich brought jewels; the poor brought their muscle and brawn and skill.

Second Rebuilding of Chartres After Storm

In a spontaneous migration they moved from all parts of France as pilgrims. They cut down the trees; they quarried the stones; they built a camp extending for miles around the cathedral site. Cavaliers and great ladies prepared food and cooked the meals. The infirm were there sending up their prayers. Purity of life was demanded of every artisan. Caste was automatically abolished. The grand seigneurs worked side by side with the tillers of the soil to provide the materials. Prejudice of class was abandoned.

In 20 years lightning struck the building. The Pope's legate assembled the clergy of France. The king was followed by the wealthy in contributing enormous gifts to a second rebuilding. The Bishops and the Canons abandoned their revenues for three years and from 1194 to 1260 the work

(Continued on Page 13)



—*Ewing Galloway*

"BIBLES OF THE POOR" is the colorful descriptive title applied to the great Cathedrals of France, among them the above-pictured Chartres. French guildsmen—artists and craftsmen—made a distinctive contribution to the dramatization of religion in these cathedrals, telling the stories of the Bible in works of stone, glass, marble, iron, tapestry and wood. These cathedrals stand today, a monument to their builders.

Pope Benedict's Plan for Peace

Attempt to Terminate World War Blocked By Bitterness; Robert Lansing's Papers

THOSE WHO LIVED through the first World War, remember only too well the hopeful expectation that greeted every new proposal to bring about the termination of this "war to end all wars."

They remember the ill-fated appeals, the ill-fated gestures, the ill-fated positive steps taken by statesmen and humanitarians to bring the dove of peace to troubled Europe.

In December, 1916, the Holy Father, Pope Benedict XV, issued a program for peace based on compromise by each of the major warring powers. His plan, like so many of the others, went a-glimmering in the thundering shock of newer and greater offensives.

Robert Lansing, distinguished Secretary of State in the Wilson Cabinet in wartime, guided the mind of President Woodrow Wilson in the trying years of that momentous struggle. The confusion of that day was heightened by an inadvertence, in which the disillusioned Lansing removed from his office, the papers and documents which held the story of the diplomatic movements of the United States during the war years.

Document Interesting in View of New War

The *"Lansing Papers,"* valuable for the new light they throw on events of that day, have now been released by the Department of State in a volume entitled, *Foreign Relations of the United States—The Lansing Papers—1914-1920.*

In Volume II of this work is presented Robert Lansing's estimate of the peace plan advanced by Pope Benedict. The document is particularly interesting in view of the renewed warfare abroad today, and in view of new movements to bring the struggle to an end.

The full document follows verbatim:

"The Secretary of State to President Wilson

Washington, August 20, 1917

"My Dear Mr. President: After a careful analysis of the Pope's appeal to the belligerents I am of the opinion that it practically goes no further than the German peace proposal of last December, that is, it amounts merely to an invitation to negotiate. The chief difference lies in a preliminary agreement to restore Belgium independence in exchange for the restoration of Germany's colonies, to erect an independent state out of 'part of the old Kingdom of Poland' (meaning, probably, Russian Poland—Ed.), and a general condoning of the wrongs committed, though in particular cases a modification according to 'justice and equity.' Everything else, even the sovereignty of the Balkan States, is left to negotiation.

Central Powers Have 'Little to Forgive'

"Belgian independence and the recreation of Poland were at the time of the German proposal in December considered to be essential to any restoration of peace, so that the only new basis suggested is the waiving by all parties of the losses sustained by them respectively. Except in East Prussia, Galicia and Bukowina (territories which have been reconquered) the Central Powers have not suffered from invasion and hostile occupation. They have little to forgive.

"On the other hand neutral Belgium has been grievously outraged and her people impoverished, brutally treated, even enslaved. Would it be just to deny the Belgian the right to claim full reparation for all they have lost through three years of German occupation? Serbia and Montenegro have, from all we can learn, been treated with equal, if not with greater harshness. Are they not entitled to be indemnified for all that they have endured? Roumania also has suffered, though in a less degree.

"Is the enormous damage done by the German invaders in northern France not even to be paid in part, though much of the damage was the result of wantonness? Is the lawless destruction of hundreds of merchant vessels by German submarines to be condoned?

Pope's Appeal Parallels That of Germany

"If I read the Pope's appeal aright, all these questions are to be answered in the affirmative. It is carrying the Christian doctrine of forgiveness a long way, since the burden falls very heavily on one side and very lightly on the other. The suggestion is lacking in justice and reciprocity.

"The effort of the German Government through its December note was to induce the Allied Powers to meet the Central Alliance in conference to negotiate on the basis of the *status quo ante bellum.* And that is all that the Pope's appeal does, except that

POPE BENEDICT XV

Russian Poland is to be given independence. With slight changes of territory here and there amounting to a rectification of boundaries, I do not see that there is to be any material change from the political conditions which existed prior to the war and which resulted in the war.

"As to the methods of insuring a continuance of peace, which are suggested for negotiation, their adoption depends largely upon the trustworthiness of the signatories to the peace treaty. In view of the violation of Belgian neutrality, the disregard of human rights, the promises broken by the German Government, I do not see how it is possible to rely upon the good faith of that Government as it is now constituted. It would be folly to expect it to change its character or to abandon its cherished ambitions. To make peace by accepting guarantees from the military rulers of Germany would only be to postpone the struggle, not to end it.

'Submarine Warfare Appears Most Menacing'

"I think it necessary to consider the motives which inspired the Pope's appeal or the influences which induced him to make it at this particular time, when the military tide of the Central Powers is at the flood, when the submarine warfare appears to be most menacing, when the power of the United States is just beginning to be exerted, when Russia has not yet gained her equilibrium, when a vigorous peace propaganda in this country and other countries is being pressed and when the socialistic bodies are being employed, as at Stockholm, to demand an end of the war. I would only say that the Pope, probably unwittingly or out of compassion for Austria-Hungary, has become in this matter the agent of Germany.

"In a word then, the Pope's appeal appears to me to be but a renewal of the German proposal to negotiate and a suggestion of a peace based on the *status quo ante.* The proposal to negotiate has already been declined by the Allies. The suggested basis must, of course, be rejected by all.

"Faithfully yours,

ROBERT LANSING"

Disputed White Book Shows Nothing New With Regard to U. S. Attitude on War Abroad

By Staff Correspondent of SOCIAL JUSTICE

WASHINGTON, D. C.—Although German Government charges that American emissaries in Europe encouraged the start of the war abroad met with little popular acceptance here, it is interesting to note that the accusation fits in well with the prevailing attitude of official Washington, with respect to European politics.

The charges were aired in the publication of a German White Book. This document is based on papers supposedly seized from the archives of the foreign ministry in conquered Poland. The papers — photostatic copies of which were furnished American correspondents abroad — set forth allegations concerning Ambassadors William C. Bullitt and Joseph P. Kennedy, and President Roosevelt.

Whatever the truth of the charges in themselves, they reveal nothing new in regard to the un-neutral attitude of our government. At Queens College, Kingston, Ontario, in August, 1938, President Roosevelt gratuitously guaranteed the integrity of Canada from foreign attack. To those who know the Constitution, of course the executive cannot declare war. He can, however, control the events that lead up to war.

The Christmas message of 1938 by Senator Key Pittman, chairman of the Senate Foreign Relations Committee, is a celebrated example of our unneutral spirit with regard to Europe. Senator Pittman announced at that time that the people of the United States "hate" the government of Germany; "hate" the government of Italy, and "hate" the government of Japan. His words did nothing to add to the success of our efforts to build up respect for American neutrality, and the "good neighbor" policy.

State Department Furnishes Text of Bullitt Speech

Again Ambassador Bullitt, speaking in Bordeaux, France, in September, 1938, was quoted widely in American papers as stating that: "France and the United States are indefectively united in war as in peace."

The official State Department version of this speech quoted the Ambassador as saying: "It is no secret that the people of the United States feel for the people of France the most profound sympathy. We are united by our devotion to liberty, democracy and peace . . ." Senator Robert R. Reynolds, of North Carolina, who called for a Senate investigation of Mr. Bullitt's alleged utterances, said that the "softened" version of the 1938 speech was equally as dangerous as the alleged version, and merely said "the same thing in more diplomatic language."

Secretary of the Interior Harold Ickes has, by his frequent intemperate outbursts against the totalitarian governments of Europe, made himself more of a secretary of the "exterior," than a secretary of the Interior.

Thus the White Book, in alleging that American ambassadors heightened the war fever by unofficially pledging the United States to the side of the Allies, added nothing new to the common understanding of the prevailing Administration attitude toward Naziism, Fascism, and the imperialism of Great Britain and France.

Excerpts From the German White Book

The following excerpts from allegedly seized Polish papers as printed in the German White Book, were issued by the Associated Press from its Berlin office:

"Document labeled cable from Potocki to Polish Foreign Minister Beck declared Mr. Bullitt was returning to Europe charged with assuring France and Britain that:

" '1. American foreign policy will become active under the leadership of President Roosevelt, who condemns totalitarian states sharply and unequivocally.

" '2. War preparations by the United States on sea, land and in the air will be carried out with increasing speed and will devour the colossal sum of $1,250,000,000.

" '3. The President holds the determined view that France and England must put an end to every policy of compromise with the totalitarian states. They (France and England) are not to enter upon any discussions with them that have the purpose of bringing about any changes in territory.

" '4. Moral assurance is given that the United States will abandon its isolationist policy and is ready in the event of war to participate actively on the side of England and France. America is ready to place its entire resources in the way of finances and raw materials at their disposal . . .

" 'Bullitt was very emphatic in saying that France must not enter into any sort of an agreement with Mussolini . . . He (Bullitt) characterized Mussolini's methods as common gangsterism and blackmail.'

"Alleged 'strictly secret' communication to Beck from Jules Lukasiewicz, Polish Ambassador at Paris, dated 'February, 1939,' after Bullitt returned to Paris:

" 'Should a war break out (Lukasiewicz said Bullitt told him) we certainly will not participate at the beginning but we shall finish it.

" 'He (Bullitt) gave expression to his conviction that the President (Mr. Roosevelt) surely had said he would sell airplanes to France, as the French Army constituted the first line of defense for the United States . . .' "

New British Trade Law Hits U. S. Importers

Rule Fixing Pound Worth Raises Price on Vital Imports to America

WASHINGTON, D. C. — Great Britain's new export-import control system, modeled after a similar German plan with a view to establishing larger dollar balances in the United States, falls with a heavy thud on American importers, and works another hardship on commerce between the United States and Britain.

The new British control system requires that purchases of certain goods be paid for, not in English pounds, but in American dollars for which English pound credits will be available to English exporters. The prevailing rate of the pound—approximately $3.73—will *not* apply. In its place will be a fixed, "official" rate of approximately $4.03.

The new regulation came as an "Order in Council," amending Defense Finance Regulations. At present the list of goods under the Order-in-Council includes rubber, tin, jute, whiskey, and furs. This, however, is only the start of the list. It will be lengthened later.

Rule Falls Hardest Upon United States

Adoption of this rule simply means that we in the United States pay $4.03 for a British pound when the world market is $3.73. Thus we pay 30 cents per pound more for all the goods—included on the list—that we import from England and her possessions, than we would ordinarily.

The new British rule is directed principally at North and South America, excluding Canada and other British and French territories, together with Argentina. The Order-in-Council applies also to Belgium, Holland and Switzerland.

In its incidence, however, the new rule will strike hardest at the United States, for this nation is the principal importer of British rubber, tin, whiskey and jute.

In carrying the new rule into effect, the American importer bringing in goods enumerated on the official list must establish credit with a bank in Great Britain. Under this credit, sterling will be furnished at $4.03 a pound, an artificial figure, as explained before.

We Have Demonstrated Our Good Faith

Britain's new rule follows by a few weeks, the glossy and comprehensive program of peace-through-trade advocated by Secretary of State Cordell Hull, and to be put into effect after the war, if found feasible. In giving voice to a program for lasting peace-through-trade, this nation demonstrated its good faith, and its belief in more liberal commerce.

Great Britain, however, by her aquisitive attitude in slapping new restrictions on trade, is simply following the course of 16 European nations, 10 South American nations, and four Asiatic nations. All these are firmly opposed to the principle of free trade.

Our Treasury Department long has advocated economic co-operation between the so-called "democratic" nations, and wrote its assent to the Stabilization Fund, the Tri-partite Monetary Agreement and other measures in giving life to its preachments. The Stabilization Fund still exists, theoretically to protect American commerce *"from the adverse effects of depreciated foreign currencies."*

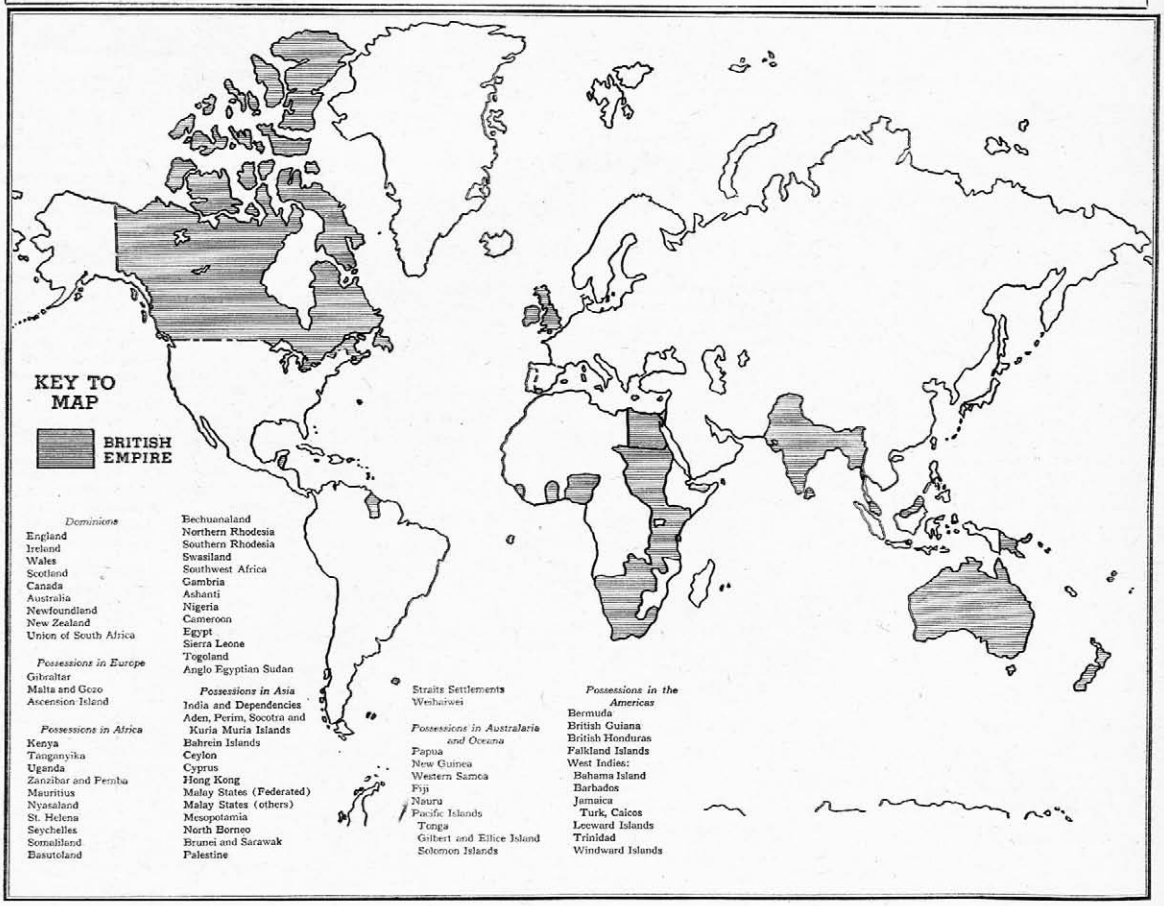
Not Intended to Encourage Our Free Trade Plan

This new restrictive action by Great Britain, therefore, comes as an anti-climax to our search for "free trade," monetary harmony, and economic co-operation. In following out a Hitleresque program of trading, the British government is doing nothing to intensify our interest in working out a plan for lasting peace-through-trade, as envisioned by Secretary Hull.

Mr. Hull's plan was the third advanced by this country to place the United States on a sound basis among all the nations of the world. President Roosevelt's dispatch of an ambassador-without-portfolio to the Vatican, and his commission to Under-Secretary of State Sumner Welles in his peace mission were the others.

It is becoming increasingly apparent that any peace talk, and any talk of freer or more liberal trade in this warring world is premature. British trade restrictions already have hit the American farmer. Now their heaviest blows will fall directly on the American importer.

The 'World of Tomorrow' . . . . Part I. The British Empire



ABOVE IS PRESENTED the first of six maps, picturing graphically the "world of tomorrow," based upon war aims of the present belligerents, and the assertions of prominent statesmen concerning "zones of influence." These pictures, while not optimistic, are sufficiently graphic to give the reader a concrete understanding of the issues at stake.

The great British Empire, having carried out a policy of aggression for more than 400 years, obviously desires to freeze her empire in its present boundaries. Red Russia formally has announced her sovereignty in every capitalistic nation of the world, to be effected as soon as world revolution permits.

Germany, Italy and Japan have marked their spheres of influence. The United States has drawn a line of demarcation around the two Americas.

There is war in Europe among the great powers. There is war in the Orient. There will continue to be wars until that day when a program of world peace will reconcile the Nazi, Fascist and so-called democratic aims of the empire-bent aggressor nations.

WANTED: Farm Homemakers

Self-Sufficiency First, Then Production for Exchange; an Interesting Chapter From an Illuminating Book

By MSGR. LUIGI G. LIGUTTI and REV. JOHN C. RAWE, S.J.

It is with pleasure that the editors of SOCIAL JUSTICE present herewith a portion of Chapter 8 of the book "*Rural Roads to Security*," by the Rt. Rev. Msgr. Luigi G. Ligutti, LL.D., and the Rev. John C. Rawe, S.J., LL.M., published by the Bruce Publishing Company, Milwaukee, Wis. This book is recommended highly for farmers, and for students of the farm problem.

THIS IS A TRUE human-interest story. A family lives in the outskirts of one of our Iowa cities on a five-acre plot of land. Some months ago, a welfare worker from the Country Relief Office called at the home. She made all sorts of gentle suggestions and hints as to the need of relief, and finally when they were not taken up, she blurted right out: "Is it true that you are not eating enough?" There was a broad smile upon the handsome countenance of the intelligent mother of seven children. She conducted the welfare worker through the basement, cave, and whole house, then to the few unpretentious buildings on the grounds. There were potatoes and vegetables of all sorts, fruit and jelly glasses aplenty — all properly kept. A most generous supply of meats was stored in various ways. A calf had been butchered; there were pork, lard, sausages, bacon, and ham. There were two contented cows in the small pasture; fifty chickens in the coop. Flowers graced the windows, and shrubberies and trees told the story of summer blooms. A free American family lived in that home!

Delivery Wagons and Necessities of Life

You may ask: What prompted the welfare worker to make the investigation? Just this: The neighbors had reported that the delivery boy had not stopped at the home for weeks, and they were worried over the actual existence of the family in question. Kindly and thoughtful neighbors indeed! But isn't that type of conclusion a sad commentary on a terrible condition existing in the State of Iowa? There it is, with the earth's best soil, and yet it seems to be taken for granted that the delivery wagon must furnish its people with the necessaries of life. No family in Iowa ate any better or healthier food than the family about whom the neighbors worried. That family, upon being asked: "Did the depression affect you very much? answered "Hardly at all." "Did the drought affect you?"—"Yes, some, but on a small acreage you can sprinkle or carry water if necessary." This home had modern conveniences: electricity and good plumbing.

Happy the man whose love and care
A few paternal acres bound,
Happy to breathe his native air,
On his own ground.

The intelligent farmer will first of all raise what he can for the year-round needs of his family, and then corn and hogs, or wheat or cotton, or anything else for exchange.

Recall the history of the West. First came the Yankee, the Pennsylvanian, the Kentuckian, the Ohioan. In their footsteps followed the German, the Dane, the Swede, and the Irish. They came to the West to establish a home, to make a living for their families — and they did. The land, the atmosphere were most favorable. There was no better spot on God's green earth. They purchased the land. They planned their work and the use of their products. Wheat for the mill and bread, hogs for lard and bacon and meat; cows for milk, butter, and cheese; the calf and beef and sheep were butchered when needed. There were potatoes and vegetables. There were the orchards, the bees, the chickens, the ducks, the geese, and the turkeys. Corn and hay to feed the animals fertilized the land. Every Western farmer produced a surplus that he exchanged with his neighbor or traded at the store for clothing and other material that he could not produce himself. Whatever cash he received was used to pay for his land and for taxes, and he always had a nest egg for a rainy day. He had little cash, but he had independence. He paid his bills, he built and maintained churches. The community in which he lived prospered. The whole nation was better because of his prosperity.

Then what happened? The Western farmer began to commercialize his farming. He wanted more cash. He raised more corn, more oats, lots of hogs and cattle. He sold them and bought the necessities of life. He sold the wheat and bought flour that had been emasculated and treated with chlorine gas to make it white. He thus cheated himself and his family. He raised the beef and hogs, and he bought steak and pork and bacon. He donated a penny here and a penny there all along the line. He paid for tin cans and labels; he paid for salesmen and advertising, and in return he secured an inferior product. He bought apples from Oregon and allowed his orchard to decay. He thought he was smart but a city slicker patted him on the back, handed him a brand new dollar bill, and took two out of his pocket. He felt so good over it. He had become a part of the great cycle of American commerce. He was making lots of money, so he thought, but he spent more than he was making. He did not pay his grocer or the doctor, and incidentally he did not support the Church. So tenancy rose to dizzy heights in the agricultural states.

The new commercial farmer (and there are millions of them—many of them commercial because they are renters, and many of them farm owners who are commercial because they will not stop to figure the costs of their farming operations) set up the world's most destructive and inefficient farming system.

The new system does show a saving in labor costs, but the costs of all other things used in commercialized farming far exceeds any saving there has been in labor used in production. What has been saved in the way of man labor on the mechanized, commercial farms may be estimated from the following table:

United States	Man Hrs. 1878-1882	Man Hrs. 1896-1902	Man Hrs. 1928-1932
Wheat (100 bu.)	17	12	7
Corn (100 bu.)	46	38	26
Cotton (500 lb.)	119	113	85

In some technological statistics it is estimated that there has been a saving of 20 per cent in labor costs. In other words 20 per cent of labor formerly required is no longer required. This does not mean any saving in the total farming operation unless there is a saving in machinery and other costs involved in commercial operations. When we examine some of these costs, we obtain the figures found in the tabulation.[1]

	1909	1928
Tools and Implements	$177,000,000	$487,000,000
Fertilizers (artificial)	155,000,000	206,000,000
Feeds (bought from processors)	307,000,000	615,000,000
Taxes	74,000,000	171,000,000
Twine	17,000,000	29,000,000
Autos	24,000,000	403,000,000
Harness	58,000,000	37,000,000
Totals	1,147,000,000	2,572,000,000

In the few things listed above we have an increase of farm production costs of 52 per cent plus. A saving in harness is indicated but this soon vanishes when we begin to count the machinery that takes the agricultural jobs away from "old Dobbin." The tractors and their fuels are not cheap and never will be cheap on the farms. Tractors and fuels must be bought and the prices are not parity prices. In 1928 the farmers bought 171,469 tractors, and in 1936 the farmers bought 221,246 tractors. This is no small item in the costs of modern farming. Many farmers, who have discovered that besides being too expensive the tractor does not fit into the biological integration of farm activity, have returned to use of nature's horsepower. If they use the tractor at all, they use it very sparingly, and only for work that cannot be done without it.

Farm tractors alone accounted for 42 per cent of the farm-equipment sales of 1936 and 1937. During the three-year period, 1935-1937, farm-machinery manufacturers sold for use in the United States 565,792 tractors. In 1937 alone, the estimated farm costs for tractors purchased was $214,192,212. The rate and magnitude of tractor mechanization is very great.[2]

In 1938 there were 1,527,989 tractors in operation on American farms. Any saving that may be achieved in the removal of man labor is completely eliminated when we add up the tractor costs and debts to the total farming operation.[3]

Advocates of commercial farming will, after looking at these increased costs, hasten to say that yields have been increased, and hence the commercial farm proves its efficiency on the basis of increased yields. There has been more plowing and more specialization in certain crops and, therefore, problematical surpluses in these crops, but the efficiency of any yield must be judged on the basis of yield per acre. What are the facts? In yields per acre commercial types of farming have made no advance. Land is mined out in the single-crop system and heavy expenditures are required to keep yields per acre from falling lower and lower.

YIELDS PER ACRE OF FARMS IN UNITED STATES

	1878-1882	1898-1902	1928-1932
Wheat	13.2 bu.	13.9 bu.	14.4 bu.
Corn	25.6 bu.	25.9 bu.	25.0 bu.
Cotton	196.0 lb.	198.0 lb.	181.0 lb.

The following tables indicate that our mass-production agriculture makes a very unfavorable showing when it is compared with the agriculture that is carried on in other countries on small farms and family units on soil that has been producing for centuries

COMPARATIVE PRODUCTION STATISTICS INDICATING AMERICA'S INEFFICIENCIES IN MASS-PRODUCTION AGRICULTURE[4]

CORN—1937-39

United States	28.2 bu. per acre
Italy	37. bu. per acre
Austria	44. bu. per acre
Hungary	35.9 bu. per acre
Egypt	39.9 bu. per acre
Czechoslovakia	29.7 bu. per acre

CORN (Within U.S.)—1923-32

New Hampshire	41.9 bu. per acre
Rhode Island	40.1 bu. per acre
Connecticut	39.4 bu. per acre
Maine	38.0 bu. per acre
Illinois	36.0 bu. per acre
Iowa	37.8 bu. per acre
Indiana	34.6 bu. per acre
Ohio	36.6 bu. per acre

From these state yields, it is clear that the best production does not take place in the so-called mechanized, commercialized, specialized "corn belt." Notice further these figures:

	Wheat per acre 1925-37	Rye per acre 1925-37	Oats per acre 1925-37
United States	13.5 bu.	12. bu.	30. bu.
Denmark	42.0 bu.	28. bu.	79. bu.
Italy	22.9 bu.	23. bu.	39.8 bu.
Finland	25.9 bu.	24.9 bu.	43. bu.
Hungary	20.4 bu.	18.6 bu.	37.5 bu.
Netherlands	44.5 bu.	35.6 bu.	82.2 bu.
Scotland	44.4 bu.		57.6 bu.
Egypt	29.5 bu.		

Again, it is evident that the soils that have been producing for centuries in a system of small farms and family units of operation give the more abundant return. The same story is told us in the results obtained in other farm products:

POTATOES — 1923-32

United States	114. bu. per acre
England	248.1 bu. per acre
Norway	263.3 bu. per acre
Denmark	209.5 bu. per acre
Netherlands	273.4 bu. per acre
Belgium	305.4 bu. per acre

POTATOES (Within U.S.)

Maine	252 bu. per acre
Minnesota	93 bu. per acre
North Dakota	76 bu. per acre
South Dakota	77 bu. per acre
Iowa	90 bu. per acre

BARLEY—1925-30

United States	23.3 bu. per acre
England	38.5 bu. per acre
Scotland	41.9 bu. per acre
Ireland	47.7 bu. per acre
Denmark	50.3 bu. per acre
Netherlands	56.2 bu. per acre
Egypt	36.1 bu. per acre
Japan	37.2 bu. per acre

SUGAR BEETS—1925-30

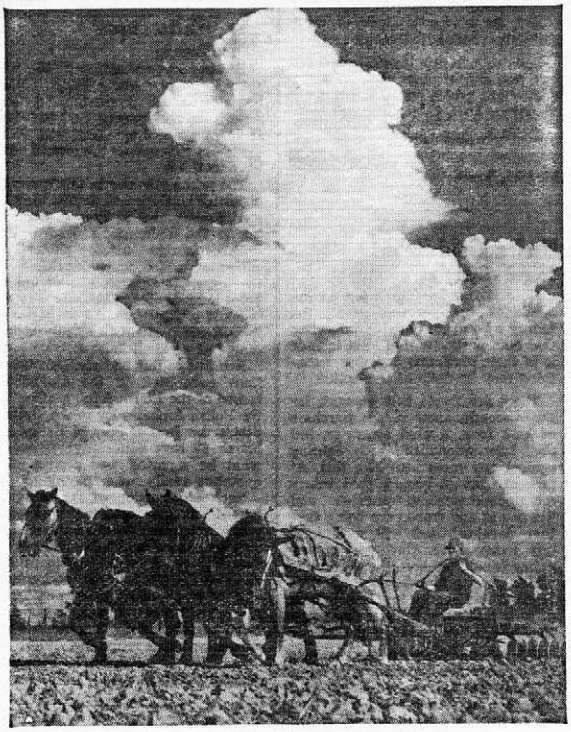
United States	10.9 short tons
Sweden	12.5 short tons
Denmark	13.1 short tons
Netherlands	14.8 short tons
Italy	11.4 short tons
Switzerland	12.3 short tons

Thus we see that the small-size, diversified, family farm leads in practically everything, even on the soils that have produced for centuries.

In order to defeat commerce at its own game the farmer raised more corn, more oats, more wheat, and the more he raised of these surplus commodities, the more money it cost him to buy fruit and vegetables and meat for his own table. Then he complained about the chain store or the corner grocer, or he blamed it all on the taxes. He bought or rented more land to raise more corn, more wheat, more oats; he went into debt to buy machinery and still more land, and he naturally had to raise more to pay off his obligations. In the meantime, he worked and slaved to raise a bigger crop, only to get less and to pay more in purchasing what he could have raised himself.

The result of this "pressure" farming for crops which will bring greater returns on the market is the defeat of its own purpose. The buying and selling on the floor of the Board of Trade in Chicago fluctuates according to the supply. A too plentiful supply causes the price to fall. Hence, those who have raised a crop for the commercial market may lose because of a poor price. In the end more of these crops must be raised to be able to purchase necessities, with the result that the market is overflooded and rampant speculation causes the farmer to lose on what he believed fertile land, and having the ability to raise any and all of the necessities for life, he becomes the dupe of a

(Continued on Page 13)



Wanted: Farm Homemakers

(Continued from Page 12)

system of commercial exploitation and big-business gambling.

When Farmers Own Land It Is Not Peasantry

Now what is objectionable about these two aims? Is this to be called "peasantry"? Do the objectors want more industrial slaves in the cities? Do they want the farmers to think of everybody's welfare first and think of their own family last? Agrarianism is not peasantry. It is liberty; it is independence.

Agrarianism aims at increased efficiency. The mere displacing of man power is not efficiency unless thereby human values have been increased. Agrarianism wants to use all modern means at hand. It aims at an increase of cultural values by better family life, more ownership of productive property, by better and real living. It maintains that in spite of the vaunted progress of our nation, there has been a retrogression. It claims that, having been blessed with God's choicest gifts, there should be no need of concentration of wealth, no need of poverty, or of suffering in our country.

On the Consumption of Food in Detroit

The statement, so often heard, that the American standard of living is higher than elsewhere is not supported by facts. A comparative report in the Consumers' Guide, August 23, 1937—an official publication of the United States Department of Agriculture—illustrating "how consumption of certain foods by wage earners in Detroit compares with consumption by workers in other countries," does not indicate a high American standard.

The Detroit workers do excel in consumption of eggs and fresh fruit as compared with the countries studied. Yet they would not excel even in that if compared with Italy, Spain, or France, where fresh fruits are available. Official figures prove that the Detroit "standard of living" is not as high as that of the average shown by five other European countries with which it is compared. Queer, but true! And Detroit is certainly an American industrial city.

FLOUR EQUIVALENT	
Detroit	100
Sweden	91
Germany	94
Belgium	150
Norway	102
Poland	162
Average	
Detroit	100
Other countries	119.4
MEAT AND FISH	
Detroit	100
Sweden	112
Germany	92
Belgium	105
Norway	151
Poland	89
Average	
Detroit	100
Other countries	109.4
MARGARINE AND BUTTER	
Detroit	100
Sweden	115
Germany	108
Belgium	140
Norway	132
Poland	28
Average	
Detroit	100
Other countries	119
POTATOES	
Detroit	100
Sweden	130
Germany	184
Belgium	272
Norway	106
Poland	242
Average	
Detroit	100
Other countries	186.4
MILK AND CHEESE	
Detroit	100
Sweden	159
Germany	103
Belgium	105
Norway	141
Poland	54
Average	
Detroit	100
Other countries	113.2

(Sources for the above noted figures: (1) Technological Trends, June, 1937, "The National Income and Its Purchasing Power," National Bureau of Economic Research; (2) U.S. Department of Commerce, Bureau of the Census. The Manufacture and Sale of Farm Equipment and Related Products, 1937, p. 5; (3) Farm Implement News, April 7, 1938; (4) Agricultural Statistics, 1938.)

What is the agrarian solution? Is it to let the government buy up big farms, divide them up, and give easy credit to all the families who want to go on the land? No, absolutely and unqualifiedly, no! The government

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'BIBLES OF THE POOR'

(Continued from Page 9)

had progressed far enough to permit the consecration of the cathedral in the presence of King Louis IX—St. Louis—and his royal family.

Then came the great gift to Chartres, namely, the head of the good Saint Anne.

Yet Chartres was only one of many of the great cathedrals. The artisans wrote their own medieval history on the walls and in the windows of Chartres every craft gave its famous stained glass window. The money-changer is to be seen testing the quality of his coins. The furrier is selling pelts. The butcher is killing cattle. The sculptors are seen carving capitals and the cobblers who had grown opulent in furnishing the pilgrims their shoes were generous in their contributions to the decoration of Chartres.

Guilds Also Endowed Great Cathedrals

Nor was Chartres an isolated example of the crafts' twofold contributions to the cathedrals. The guilds of old France built them and the guilds endowed them. At Bourges, the stone cutters contributed the famous window of St. Thomas, patron of architects. St. Anthony, patron of the basket weavers, recalled to the poor the life of the Abbot of Thebes in the days when the monks made their living plaiting baskets. The barrel makers chose Noah because that patriarch had planted the vine. The grocers had their patron, St. Nicholas.

At Tours, the artisans contributed the famous "Adam" window because Adam was the first to labor in the sweat of his face. At LeMans, perhaps the most famous glass of France from the 11th to the 16th century was donated by the gifts of drapers, the furriers, the architects, the bakers and the shoemakers.

In their sense of humor the medieval Frenchmen had many a joke on the time consumed in building a cathedral. For example, at Tours, the cathedral was 327 years in building, or from 1220 to 1547. Tours had originally been called Saint Maurice and out of this came the old French proverb, *"C'est long comme l'ouvre de Saint Maurice."*

Labor Unions Should Apply Lessons of the Guilds

It is a far cry from the guilds of medieval France to the labor unions of the present day. Nevertheless, there is much which should be conserved out of the experiences of ages of faith. Obviously, human society simply cannot be reconstructed along the rigorous lines of an outmoded economic system. No sane man attempts to turn backward the element of time in its flight. Age gives way to age. Yet the fundamentals of one civilization can endure throughout time.

There is a place in our economy for the self-regulation of labor and that principle of self-regulation is as available to us as it was to the guilds. The modern labor union has the inherent right to fix the hours of labor and the conditions of labor and the just wages of labor as did the guilds of old. The modern labor union has the inherent right to set aside Sunday as a day of rest and to choose supplementary holidays now as in ages past. The modern labor union has the right to fix the standards of its own workmanship and to estimate the skill, if skill be inherent in the work to be done. The modern labor union has the inherent right to branch out from the pure economic into the fields of the social and religious.

It should have its halls for social activities. It should have its own program for social work and should practice its own corporal works of mercy by taking care of the fellow workingman and his family who, through no fault of their own, are thrown upon the charity of the world. That portion of workingmen who are imbued with virile Christianity should form themselves in guilds, for not only the economic and social, but the religious activities should be indulged. Much could be accomplished in the economic and the social fields, but all can be accomplished if to these two fields is added the sanctions of true religion.

All Not Perfect With Guilds of France

Lest anyone believe by the reading of this and the preceding article on the guilds of France that all things were perfect, the subject deserves a just judgment on demerits as well as merits of the system. Between the merchant guilds of France and the craft guilds there was unquestionably bitter animosity throughout centuries of their history. The merchants of France were the traders who could monopolize all trade except that of foodstuffs. The craft guilds were the artisans who produced wealth.

In many of the principal cities of France—for example Bruges, Arras, Saint-Omer and Rouen—the merchant guilds undoubtedly dominated community activity to the point where they were responsible for the very chartering of these towns. The government of the community was held in the hands of the merchant class.

These merchant guilds were not constituted solely of those who were interested in trading. They were open to all who could pay the fees. This brought about the monopoly of government by the wealthy, as the poor were automatically left out by the excessive dues.

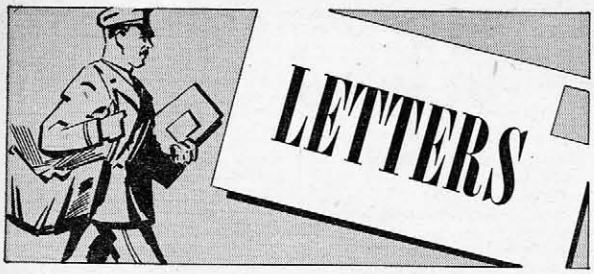
Traders Indebted Through Royal 'Patronage'

Historians have, of course, debated for decades the great question of absolutism in France and, particularly, the question of how absolutism could continue uninterruptedly without revolution, or how the day of revolution could be so long postponed.

The historic truth is that the kings of France did not stand alone against the people. The truth is that absolutism in a highly centralized government was reinforced and protected, not alone by the remains of feudalism, but by the merchant guilds in the charter towns, the traders who, securing their monopolies from the king, in turn were perfectly willing to protect absolutism locally.

If any criticism of the craft guilds through the ages of their great activity is volunteered, it was their too humble submission in the matter of political activity. By leaving this field of action to the merchant guilds, they suffered the loss of the free co-operation of the state. Thus democracy gave way to autocracy and local freedom to the centralization of absolutism.

Both Leo XIII and Pius XI iterate and reiterate the right relationship of the state to the workingman. By following the craft guilds of England or France in the economic and social relationship of man, together with the inspired teachings of Leo XIII and Pius XI, the American workingman could build upon the solid foundation of the ages of faith a new social order modernized by the economy, social and religious guidance of *"Rerum Novarum"* and *"Quadragesimo Anno."*



(SOCIAL JUSTICE aims to make this page a free forum and readers' opinions are invited. Naturally, the views expressed are not always those of this magazine. We cannot guarantee that contributions sent to SOCIAL JUSTICE can be returned to the writers. Letters not signed with the writer's name and address cannot be considered, although the name will not necessarily be used. We reserve the right to publish all letters received unless contrary instruction is specifically given.)

Bertrand Russell

To the Editor:

This organization wishes to go on record as congratulating you on your splendid and fearless stand against the appointment of Bertrand Russell to the faculty of the College of the City of New York.

Please be assured that you have the united support of all our members and their friends in this particular matter. This appointment is an attack on the moral standing of our nation as well as on our citizens. It is imperative that all Christians unite to show their definite opposition to this act.

—St. Francis Social Justice Club

The Bronx, New York

Money and Credit

To the Editor:

There is one question I am particularly interested in: what caused the depression?

In 1921 the banking interests gave out orders to the various banks to cut down on loans and make the people pay up. They deflated credit, and they have done very little about expanding credit since.

Until that time people could not get goods enough to supply consumer demand. Everyone was making money and paying his bills. But when the bankers deflated credit things began to collapse.

The circulation of money and the supply of credit heretofore has been based upon the supply of gold, a condition planned and regulated by the manipulators of money and credit. That is an unjust practice.

Money and credit should be gauged solely to meet consumer need. The Government should own and operate the banks, for the people in the mass are able to supply credit to the individual, while the individual cannot supply credit to the masses.

Anyone who is honest and industrious is entitled to a reasonable amount of credit, just as much as those holding Government bonds are entitled to credit. Why not credit those of merit, as a merchant credits his customers? When the Government does this, there will be no more depressions.

—George Gwynne Beson

1502 Laurel Ave.

Minneapolis, Minn.

Father Coughlin's Position

To the Editor:

At Ford Hall, Boston, on Sunday, March 3, Rev. J. J. Lindsay of Brookline, a Baptist minister, spoke on religious intolerance. Pleasing were his condemnation of Communism, his approval of the temporary ambassador to the Vatican, his firm stand for democracy and his always respectful reference to the Radio Priest as Father Coughlin.

I think Dr. Lindsay was unfair in classifying Father Coughlin as a "spreader" or "dispenser" of ill-will and of stirring up religious and racial hatred . . .

Father Coughlin is striving to remove a subtle financial persecution that is inflicting untold misery and suffering on millions of our people, yet many educators and many public officials denounce him and support the persecutors, the money monopolists in their body and soul-ruining oppression.

Do they believe in oppression, injustice and cruelty? I suppose it is easier to close one's eyes to these evils and have the children of future generations suffer, but Father Coughlin and his supporters are not going to sell them into economic slavery no matter what others may do.

—Joseph A. Fitzpatrick

43 Knollin St.

Malden, Mass.

Booms and Depressions

To the Editor:

Booms and depressions are caused by the expansion and contraction of credit, and not by the expansion and contraction of money.

—Andrew N. Hildebrand

1000 Tower Bldg.

South Bend, Ind.

Contest Winner Writes

To the Editor:

I have just received the check for $100 and I do thank you for giving me the chance to win it.

It is the answer to a prayer, for I certainly needed the money.

The common people of this country owe you a debt of gratitude for the great fight which you have put up to obtain Social Justice for them.

Thanking you again,

—Ethel Duffy

Madrid, Iowa

Useless Gold Hoard

To the Editor:

Now is the time to bring to the minds of the American people the fallacy of our gold buying policy, so that both parties will at least include it in their platforms and that something may be done after election.

There are forces now at work for the discontinuance of the purchase of gold from foreign countries, but the internationalists are fighting against any movement like this. At present, foreign-bought gold brings more pound sterling, francs, etc., and the pound and francs are being further devalued and will eventually buy much more. Our gold buying policy is nothing more than a scheme which gives a high foreign credit to England and France for the purchase of war materials. In times of peace they would buy nothing from us.

Why should we trade our products that are the sweat of labor's brow for a metal that we bury in the ground and that we are forbidden by law to use? Of course it is helping the New Dealers by keeping up the little export business remaining to us.

We have got to receive gold to some extent in payment but why pay so much per ounce for it? Why not take it in at $22.00 per ounce? The New Deal is unlikely to change its policy unless pressure is brought to bear. Its sympathy is with the allied cause. The country that benefits most is England. President Roosevelt will do nothing to upset British or French currency. It is not expected that he will consider the Townsend proposal to cease buying foreign silver either. However, the more the scheme is brought to the minds of the people the sooner they will wake up.

—George McGrath

314 E. 206th St.

New York City.

The 'White Paper'

To the Editor:

The recent publication of the official German "White Paper" with its subsequent discussion in the American newspapers and on the radio is more important and vital to all Americans than the press would have us think.

The prime offender in this travesty of justice is William C. Bullitt, American Ambassador to France, according to the diplomatic record of the Polish foreign office, photostatic copies of which were furnished to the press. He is quoted as saying to Jules Lukasiewicz in February, 1939: "Should a war break out we certainly will not participate at the beginning, but we shall finish it."

Relative to this and similar quotations committed to the diplomatic record of the Polish foreign office by the Polish Ambassador to the United States the *Boston Post* of Saturday, March 30 says editorially: "Even if what he reported was correct, the quotation really means nothing."

Such an abortion of reasoning is indeed startling. God endowed man with an intellect to see truth and a will to choose good. Certainly it is the duty of all Americans to utilize these God-given faculties most efficaciously in an effort to extract from the labyrinth of propaganda conclusions arrived at by the process of correct and true reasoning.

—John F. Finnerty

Chestnut Hill, Mass.

Interest System

To the Editor:

I have read with much interest the articles on "Interest" in Social Justice by Louis B. Ward.

Very few of us have any idea of the great importance that interest plays in our every day lives.

Our interest-collecting money system is a breaking-down instead of a building-up process.

For instance, the interest we now pay on our national debt would build one million homes in a year worth fifteen hundred dollars apiece. In ten years it would build up ten million such homes. If it were not for this interest charge the number of home owners would be increasing every year instead of decreasing. Under our money system we borrow 100 per cent of money into circulation and bet our homes and property that we can pay 107 per cent back. Where this 7 per cent of money is supposed to come from no one knows.

In Washington they still believe that borrowed money will hatch new dollars with which they can pay the interest.

If Congress would coin its money instead of borrowing it they wouldn't be going deeper in debt by billions of dollars every year.

—A Subscriber

New York, N. Y.

Dislikes Picture

To the Editor:

There is a little but important feature about the cover of Social Justice that does not do justice to Father Coughlin — the circular insignia containing Father Coughlin's picture.

The picture, an artist's conception, on the first two issues of the new Social Justice, was impossible. I lost a bet that it did not represent Father Coughlin, but someone else . . .

I would prefer, as would others I have spoken to, to use the picture you had on the front cover of October 24th issue in 1938. All features there are distinctly reproduced.

—J. H. Klocker

Cleveland, Ohio

(Editor's note: We agree with Mr. Klocker; the picture has been changed.)

Shortcomings of F.D.I.C. Pointed Out by Reader

To the Editor:

In your current issue of Social Justice, your Washington correspondent comments on the provisions of the *Steagal Bill* to revamp the F.D.I.C. in the interest of the Bankers.

Your correspondent left out some salient shortcomings of the F.D.I.C., as, for instance, that it is not an insurance against depositor-loss to a greater extent than its funded reserve provides; that it is in no sense a guarantee to a greater extent than the ratio of this fund to total deposits under $5,000, which is today less than 1 per cent, or $423-million as a guarantee of $49-billion of deposits under $5,000.

Then, too, although the Government made a donation of $140-million as a nest egg, it is in no wise further obligated.

That this so-called "insurance" is a myth is well known to every monetary student; that while it would take care of a single bank failure, it would be small comfort in case of a general breakdown, such as is most sure to come in a system of money based on private debts.

It is a well known fact that when and if private capital finds profitable investment in industry, there will be an exodus from low-yielding bonds that will collapse their market value and that a drop of 10 per cent in Government bonds would break every bank in the country. Then, why call the F.D.I.C. "insurance"?

Under a sound monetary control, providing return of issue to a Congressional authority, and banishing private money creation, as is now provided for in the Binderup-Voorhis Bill, 4931 H. R., a 100 per cent reserve back of demand deposits would make the present F.D.I.C. fund adequate without extracting more money into idleness.

The fact that the Binderup-Voorhis Bill has the unqualified approval of such eminent monetary authorities as Robert L. Owen, Irving Fisher, Robert H. Hemphill, Miss Gertrude M. Coogan and scores of members of Congress is a gilt-edged guarantee of its constitutional background.

It is a gleam of light in the darkness of poverty and misery; a lifeboat to the rescue of a sinking ship. Let us enter into this Ark while there is still time. The abyss is just around the corner.

—Don B. Husted

Mantua, Ohio

Transport Union Strike

TO THE EDITOR:

On page 8 of the April 1 issue of SOCIAL JUSTICE reference is made to Mike Quill as "engaged in preparing a city-wide strike of subway and elevated workers in protest against the municipal government's attempt at transport unification."

This statement of Quill's efforts is incorrect and does not do justice to the members of the Transport Workers Union of which I am a member. If there is to be a strike it will be in protest against the refusal of this city's administration to honor the contract now existing between the Union and the I.R.T. which does not expire until 1941. Without this contract the members of the I.W.U. believe seniority and pension rights, wage scale and job security would be endangered.

The writer is not in any sense in sympathy with Communist doctrines; in fact, if the records are complete they will reveal that I have been one of Father Coughlin's oldest supporters and an original subscriber to SOCIAL JUSTICE.

Quill and the other officers of the I.W.U. may be all that you believe they are, but in this present controversy with Mayor LaGuardia they have much the better of the argument.

—James Strachan

1259 Clay Ave.
New York City

Senator Reynolds' Program

TO THE EDITOR:

May I call to the attention of your readers the all-American program that is being put forward by United States Senator Robert R. Reynolds of North Carolina. His program follows:

1. Keep America out of war.
2. Register and fingerprint all aliens.
3. Stop all immigration for next ten years.
4. Deport all alien criminals and undesirables.
5. Banish all "isms," Communism, Fascism, and Nazism.

The American people must be awakened to what is taking place in this country. The time has arrived when they should look after their own interests with a view to saving America for Americans, which means giving American jobs to American working men, and which means getting rid of the thousands of alien criminals that are costing the taxpayers of this country millions of dollars annually.

—James P. Glenn

Philadelphia, Pa.

People Should Demand Monetary Reform

TO THE EDITOR:

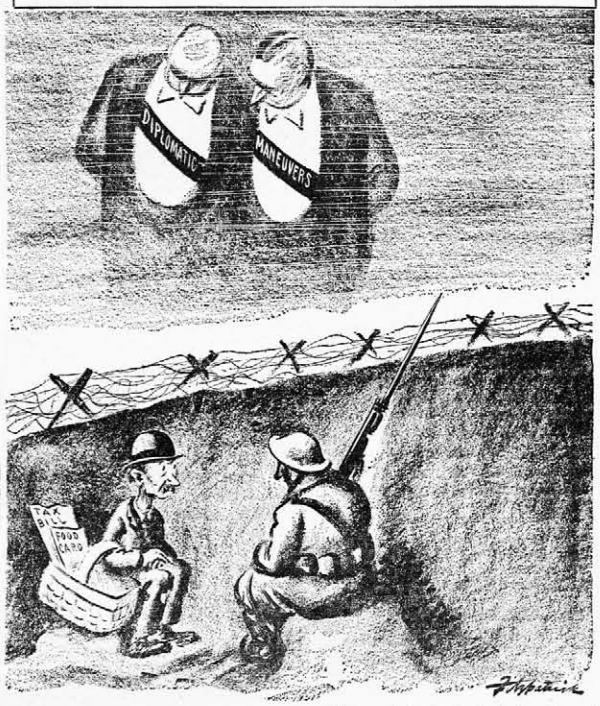
Senator Thomas in SOCIAL JUSTICE asks what to do about the gold problem. The answer is simple. The first thing to do is for the Government to take over this gold which is actually owned by a private corporation—the Federal Reserve System—and issue this much Government paper money, putting to circulation gradually at no interest, as conditions demand. Let the gold be sold off as a commodity for jewelry and other purposes.

Congress has never exercised its Constitutional control of money because the people, through ignorance or selfishness, have never demanded it. The day of reckoning will come when we have to go through with the same experience as the people of Russia and Spain or maybe we will get off lighter, as did Germany and Italy. One thing is certain, the present system can't stand if we are to preserve what we call civilization.

—C. K. Howe

Beaufort, N. C.

'Theirs Not to Reason Why'



—Fitzpatrick in the St. Louis Post-Dispatch

Revolution by Violence Is Clearly Aim of the Reds

TO THE EDITOR:

It is indeed a strange spectacle in this age for a great nation to stand mute and paralyzed in the presence of teachers of crime advocated for the purpose of destroying this nation.

Whether a crime be called treason or sedition is of little importance. The writer believes that all states and the Federal Government have enough laws to protect the citizens from the contemptible propaganda the "international rats" advocate, and that the laws should be enforced.

Regardless of Communist "free speech" protests, it is very plain that there is no constitutional right to advocate the overthrow of the United States Government by force and violence. (Const. U.S.A. Act 4, No. 4, par. 1.)

Perhaps the agents of Stalin and the Third International will deny they advocate force and violence. Yet William Z. Foster, testifying before the Congressional Committee on Communistic activities in the United States in 1930, said that: "I would like to read from the program of the Communist International at this point." (From page 36 of the Communist International) "The conquest of power by the proletariat does not mean peaceful capturing of ready-made bourgeois state machinery by means of a parliamentary majority . . . The conquest of power by the proletariat is the violent overthrow of bourgeois power, the destruction of the capitalist state apparatus . . ."

The agents of Stalin may say that they have a second or new constitution for the proletariat and that Mr. Foster's testimony is obsolete and contrary to their new constitution.

Again I refute in the words of Earl Browder, "The goal of the Communist Party is the establishment of the proletarian dictatorship by revolution. In the revolutionary situation the Communist Party . . . wins some of the armed forces to its side and leads the effective majority of the population to the seizure of State power . . . Above all, they need the armed forces." (Earl Browder's book, "*What Is Communism?*" pp. 164 and 165.)

Do the Communists still claim that they do not advocate revolution? Well! Listen to the words of Mr. D. Z. Manuilsky. "Only downright scoundrels . . . hopeless idiots can think that by means of the United Front tactics Communism is capitulating to Social Democracy." (D. C. Manuilsky, *The works of the Seventh Congress, The Third International*, p. 59.)

The words of Mr. Manuilsky show very plainly that the leopard has not changed his spots.

We Americans have a very sacred duty handed down to us by our forefathers to protect our Constitution.

—George B. Ley

206 W. Waterloo Rd.
Akron, Ohio

History of Poland

TO THE EDITOR:

Permit me to answer Mrs. Beverly Brachlow's letter in your issue of February 5.

Yes, Danzig alone was over 96 per cent German, but since when was it a fact that "Danzig is German territory?" Does not history prove that Gdansk was a Polish seaport for many centuries? Will it be denied that in 1308 the Germans invaded Gdansk, murdered 10,000 Polish inhabitants, deported again as many and replaced them with German colonists? On the other hand, is not this a fact, that in 1454 the people of Gdansk, including the German colonists among them, implored Casimir, King of Poland, to deliver them from the yoke of the Teutonic order of the Knights of the Cross?

The city of Gdansk entered, as a consequence, into the jurisdiction and under the sovereignty of Poland, where it remained until the second partition of Poland by German-Prussia in 1793.

To abolish the slight inconvenience of the Polish province of "Pomorze" separating East Prussia from the district of Brandenburg, Frederick the Great engineered the first partition of Poland, taking Pomorze as his share in 1772, and Frederick Wilhelm II annexing Danzig in 1793 and the province of Posen in 1795. Now that inherent justice has triumphed, after so many years, and that part of Poland, of which two Fredericks so ruthlessly partook, has been restored to Poland, the Germans pretend that the "Polish Pomorze" cuts into the living flesh of Germany.

But who are the East Prussians? German historians have never recognized East Prussia as a country of German origin, but merely as a German colony. And a colony it remains to this day, surrounded by Polish and Lithuanian people.

After German-Prussia, Austria and Russia divided Poland into three respective parts they started to rule over it as they pleased. Germany tried to dispossess the Polish people of the land, closed their Polish schools. Russia did worse, as they forbade the Polish people to educate their children even in the Russian language. The Treaty of Versailles did not allot any German territory or Russian territory to Poland, but returned Polish land to its rightful owner.

Now, thousands of Germans are being removed from the Baltic countries of Lithuania, Latvia and Estonia as well as other European countries, to be settled in historic Polish lands. The Catholic Poles in turn are being forcefully ejected from their own country.

—Stanley Brya

1518 Grand St.
Minneapolis, Minn.

Against Alien Teachers

TO THE EDITOR:

The bad conduct of one of the States is the vital concern of the United States; the bad conduct of one of the citizens is the solemn concern of all of the citizens.

So strong was the devotion of the builders of the Republic to the Constitution that it was provided that public officials should take an oath to support it. States may not enact legislation which is opposed to the Federal Constitution of the United States.

There is good reason to believe that the State of New York, in enacting legislation permitting aliens to teach in schools supported by the taxpayers, has violated the Federal Constitution.

Again, there is good reason to believe that the State Superintendent of Schools of California and the President of the University of California have violated the oath to support the Constitution by permitting Dr. Bertrand Russell, an alien, to teach in the University of California, and if so, they should be removed from office.

What we find in the schools today will permeate the life of the country tomorrow. A high standard of citizenship is all important.

For over 35 years there has been on the Statute books a low prohibiting the hiring outside of the United States an alien to work within the United States. It is highly probable Dr. Bertrand Russell remains in the United States contrary to that law and that its violators remain unpunished.

—John J. Fleck

215 E. Ashmead St.
Philadelphia, Pa.

Sunday Broadcast

(Continued from Page 8)

and their merchandise—and, I might say, upon their jobs.

Federal bonds are Federal debts which all citizens must share—debts to be liquidated either through direct taxation or through consumers' taxes in payment of which every person must share.

In other words, the $30-billion worth of bonds held by the financial institutions of the country really is not 30-billion wealth dollars. Do not forget that a "minus" sign should be placed in front of that $30-billion to describe it correctly.

At this juncture, let me quote from page 306 of the Banking Act of 1935, a public document. Senator Townsend is questioning Governor Eccles of the Federal Reserve Board. The Senator says:

"Senator Townsend: Well, as a matter of fact, the bonds that we issue . . . is inflation, is it not?

"Governor Eccles: To the extent that they create a deficit."

In other words, that is the "minus" sign to which I refer.

Governor Eccles continues to state that when bonds are issued by the Government the banks create the money. He says:

"A deficit financed by Government bond issues of $4-billion will add, if those bonds are taken by the banking system."

Government Borrowings Make Bank Deposits

In other words, my friends, every time the Government borrows from the banks—and do not think that I am mis-speaking when I say this—every time the Government borrows from the banks, money is added to the deposits of the banks. Borrow $4-billion and the deposits of the banks increase $4-billion. Borrow $30-billion and the deposits of the banks increase $30-billion.

Mr. Eccles (and if any man in all the world should know what he is talking about it should be Mr. Eccles, the Governor of the Federal Reserve Board) continues to say:

"The deposits will first go to the Government, the Government spends the funds, and they come to the banks as deposits of individuals and corporations."

Now where did the banks get the money to buy the bonds from the Government? If you and I—private citizens—buy a Government $1,000 bond, we pay $1,000 of money that we earned by our labor or enterprise.

Not so with the banks. Only uninformed persons think that the banks pay dollar-for-dollar for the bonds they receive from the Government.

Mr. Eccles' Statement on Volume of Money

Here is what Mr. Eccles says: (p. 308)

"To the extent that the public buys the Government bonds, it in no way changes the volume of money. It does affect the velocity of money because the individual buying the bond draws the money to buy the bond, the money is transferred to the Government and then the Government spends it. It in no way changes the volume of money in the System when the individuals and corporations buy the bonds, but when the banks buy bonds it does make a difference. To the extent that the deposits are increased by the banks purchasing bonds, the excess reserves of the banks are reduced by 10 per cent.

"In other words, if the banks buy a billion dollars of Government bonds, the deposits of the banks as a rule are increased by a billion, and the average required reserve is increased by $100-million. Therefore, if the banks have a $1-billion excess reserve and they buy a billion dollars worth of Government bonds and increase the deposits a billion dollars, the excess reserve is reduced to $900-million. If they bought $20-billion of Government bonds, the banks would increase the deposits in the banks $20-billion and their excess reserves would be entirely wiped out through that operation."

In other words, according to the figures of Mr. Eccles the Federal Reserve Bank members pay no more than $100 for a $1,000 bond; $100,000 for a million dollar bond.

For the $18,900,000,000 worth of bonds now held by the banks, they paid, according to these figures $1,189,000,000.

95 Per Cent of Business on 'Created' Money

The statements which I have made are almost unbelievable. It is unbelievable that privately owned banks create money through the process of bonds and loans. It is unbelievable that 95 per cent of our business is conducted through the money which these banks create. It is unbelievable that at 3 per cent interest we pay these banks $900-million a year on $30-billion of bonds which they hold.

It is unbelievable that the members of the Federal Reserve Banks are engaged not in lending money to small business, to home owners, to farmers on any large scale, but that they are engaged in buying the debt of the nation.

It is unbelievable that the members of the Federal Reserve Banks collect interest on at least 9/10 of the bonds which they secured without ever buying them with legal tender.

It is unbelievable that the more debt the Government creates and the more bonds the banks obtain, the greater is the profit for the bankers under this present system.

It is a system that thrives on misery.

I said that 95 per cent of our business is conducted with the money created by the bankers as a result of getting bonds from the Government in the way which I have just indicated. According to an official report of March 20th there was issued $7,599,000,000 of currency money—the kind of money represented, for example, by five and ten dollar bills. How much of that $7,599,000,000 is in actual circulation nobody knows. Possibly $2-billion of it is hidden in safety deposit vaults or held by foreigners.

Vaults May Soon Bulge With $60-Billion in Bonds

And speaking of things that are unbelievable, the Federal Reserve Board—the Government watch-dog—is empowered to require the Federal Reserve Banks to purchase or sell Government bonds without any limitation. (P. 310, Hearings on S. 1715 and H. R 7617 on the Banking Act of 1935.) This means that if the financial policies now in vogue will be continued for another three or six years, the vaults in the banks will hold not $30-billion of bonds but $60-billion of bonds; the national debt will not be $45-billion but $90-billion; and the tax burden which the citizens are bearing will be double what they are today.

I see several weaknesses in our present financial structure. First it is a structure predicated upon debt, not upon wealth. Second, it is a structure owned not by the Government but by private corporations who, in one sense, are subject to the control of a Federal Reserve Board—and in another sense are not. And thirdly it is a structure which, as a result of this control, forces private banks to buy Government bonds, to invest in Federal debt rather than invest in the enterprises of a local community although the bank of the local community got its start from the money obtained from the local community.

* * *

I am not impugning the men who own or who are engaged in the Federal Reserve Banking System or in any bank. I am simply calling to your attention the unworkability of the present financial system which, to my mind, is leading this country into chaos.

And incidentally, vested with this tremendous power of creating money through the medium of loans, the Federal Reserve Banks and the friendly Federal Reserve Board might possibly repeat in 1940 the history chronicled in 1914.

Bryan's Letter to President Wilson

Let me conclude this address by reading to you Document 763.72111/35½a, which the Secretary of State, William Jennings Bryan addressed to President Wilson on August 10, 1914:

"My dear Mr. President: I beg to communicate to you an important matter which has come before the Department. Morgan Company of New York have asked whether there would be any objection to their making a loan to the French Government and also the Rothschilds—I suppose that is intended for the French Government. I have conferred with Mr. Lansing and he knows of no legal objection to financing this loan, but I have suggested to him the advisability of presenting to you an aspect of the case which is not legal but I believe to be consistent with our attitude in international matters. It is whether it would be advisable for this Government to take the position that it will not approve of any loan to a belligerent nation. The reasons that I would give in support of this proposition are:

'Money—Worst of All Contrabands'

"First: Money is the worst of all contrabands because it commands everything else. The question of making loans contraband by international agreement has been discussed, but no action has been taken. I know of nothing that would do more to prevent war than an international agreement that neutral nations would not loan to belligerents. While such an agreement would be of great advantage, could we not by our example hasten the reaching of such an agreement? We are the one great nation which is involved and our refusal to loan to any belligerent would naturally tend to hasten a conclusion of the war. We are responsible for the use of our influence through example and as we cannot tell what we can do until we try, the only way of testing our influence is to set the example and observe its effect. This is the fundamental reason in support of the suggestion submitted.

"Second: There is a special and local reason, it seems to me, why this course would be advisable. Mr. Lansing observed in the discussion of the subject that a loan would be taken by those in sympathy with the country in whose behalf the loan was negotiated. If we approved of a loan to France we could not, of course, object to a loan to Great Britain, Germany, Russia, Austria or to any other country, and if loans were made to these countries our citizens would be divided into groups, each group loaning money to the country which it favors and this money could not be furnished without expressions of sympathy. These expressions of sympathy are disturbing enough when they do not rest upon pecuniary interests—they would be still more disturbing if each group was pecuniarily interested in the success of the nation to whom its members had loaned money.

Loans Would Create Financial Prejudice

"Third: The powerful financial interests which would be connected with these loans would be tempted to use their influence through the newspapers to support the interests of the Government to which they had loaned because the value of the security would be directly affected by the result of the war. We would thus find our newspapers violently arrayed on one side or the other, each paper supporting a financial group and pecuniary interest. All of this influence would make it all the more difficult for us to maintain neutrality, as our action on various questions that would arise would affect one side or the other and powerful financial interests would be thrown into the balance.

"I am to talk over the telephone with Mr. Davidson of the Morgan Company at 1 o'clock, but I will have him delay final action until you have time to consider this question.

"It grieves me to be compelled to intrude any question upon you at this time, but I am sure you will pardon me for submitting a matter of such great importance.

"With assurances (etc.)

W. J. Bryan.

P.S. "Mr. Lansing calls attention to the fact that an American citizen who goes abroad and voluntarily enlists in the army of a belligerent nation loses the protection of his citizenship while so engaged, and asks why dollars, going abroad and enlisting in war, should be more protected. As we cannot prevent American citizens going abroad at their own risk, so we cannot prevent dollars going abroad at the risk of the owners, but the influence of the Government is used to prevent American citizens from doing this. Would the Government not be justified in using its influence against the enlistment of the nation's dollars in a foreign war? The Morgans say that the money would be spent here but the floating of these loans would absorb the loanable funds and might affect our ability to borrow."

In concluding, allow me to leave this thought with you, namely: Is it not possible to issue money against the wealth of the nation? Is it not possible for Congress, through its own agency, to issue tax-exempt money? Is it not possible to solve the problem of distribution just as well as we solved the problem of production? Is it not possible for Americans, living in a land of plenty, to enjoy the products thereof, instead of being barred from enjoying them because we are wedded to an obsolete system of finance?

THEY'RE IN THE 'HOME STRETCH'

GREAT 'FORWARD AMERICA' CONTEST CLOSES MONDAY, APRIL 15

FINAL RETURNS MUST BE POSTMARKED WEDNESDAY MIDNIGHT, APRIL 17

The great "FORWARD AMERICA" Contest of SOCIAL JUSTICE Magazine, in which $15,000.00 worth of prizes—eight cars and 101 cash awards—will be given away, enters its final week today.

On Monday, April 15, the competition will officially close. All cash turn-ins must be mailed on or before Midnight of Wednesday, April 17. The letter bearing the last cash turn-in of each Contestant MUST be postmarked at or before that hour—Midnight of Wednesday, April 17—in order to qualify for the prizes.

These two days are given all Contestants so that they will have time to make out their Remittance Reports and Subscription Stubs after the rush of the last days of the Contest.

The last days and hours of this great campaign will be marked with tremendous activity on the part of all active Contestants. It is realized by all that only one or two yearly subscriptions could make the difference between the Grand Prize Cadillac and the Second Prize Chrysler — or between any two awards.

Business is being rounded up in all sections of the country. Contestants are out closing "deals" they have had on the fire for weeks—clinching promises their friends made to help them by subscribing to SOCIAL JUSTICE Magazine.

Every day now "dark horse" Contestants are showing up in many sections. Many of these have been holding back their subscriptions and are now sending them in. Many others are Contestants who were slow to start but are now coming ahead under full steam, determined to overcome the lead of others who started earlier. A good many have squads of friends out "beating the brush" for them.

It is altogether likely that a very large amount of business will be turned in during the last days of the great race. Of course, each NEW yearly or two-year subscription calls for a credit of 20,000 Extra Bonus Votes — and a credit of 100,000 Extra Club Votes will be given for each $15.00 worth of business turned in. Fractions of $15.00 will also be credited on a proportionate basis.

Every Contestant is asked to remember during these final hours that the net proceeds of the Contest go directly into the Broadcasting Fund by which Father Coughlin is enabled to deliver his weekly messages from Royal Oak.

Apart from this great cause, every Contestant, regardless of his or her present standing in the race, is informed that sufficient work CAN win the Grand Prize Cadillac, the Second Prize Chrysler, the Third Prize Lincoln-Zephyr, or any of the remaining five cars, or one of the handsome cash awards.

Work will do it—and work only can do it. So make these last days count. And good luck!

FINAL WORDS OF WARNING

Final instructions to all Contestants are herewith given, so that all will have a clear understanding of the method by which final returns are handled. The purpose of this method is a feeling of assurance in the mind of every person in the Contest that he or she is being treated with the utmost fairness.

At the end of a competition such as this, strict secrecy of the standing of Contestants is very desirable. No person is to know just how much cash a Contestant has turned in during the last days.

In order to attain this desirable objective, final reports will be handled under what is known as a SECRET REPORT SYSTEM. The final returns of Contestants bearing postmarks of April 13, 14, 15, 16 and 17 will be retained in their envelopes UNOPENED until Monday, April 22.

They will then be placed in the hands of the judges and a Certified Public Accountant, who will open the final reports, count and tabulate the business contained therein, check all Votes and compute returns of the entire Contest for winners.

By this procedure, no one, not even the Contest Department nor the Publishers, can possibly know the final voting strength of the different Contestants.

Remember—two days are given to wind up your business and mail your reports. These two days are Tuesday, April 16, and Wednesday, April 17. The envelope containing your final returns MUST be postmarked on or before Midnight of Wednesday, April 17.

It is estimated not more than two weeks will be required to determine Contest winners. Immediately the Certified Public Accountants have audited all records and signed their certification, names of winners will be announced and prizes will be distributed.

As a final caution, be sure that your final returns are properly made out. All subscriptions must be accompanied by the proper remittance in order to earn Contest Votes.

Be sure that all names and addresses are legibly written. Mail your stubs, Remittance Reports and remittances in an envelope or envelopes with your return address plainly written in the upper left corner.

Contestants with insufficient receipt books on hand may turn in subscribers' names and addresses on plain sheets of paper accompanied by the proper remittance.

SCHEDULE OF REGULAR VOTES

On Prepaid Subscriptions to SOCIAL JUSTICE

Subscriptions	Votes
6 months ($1.50)	4,000
1 year ($3.00)	10,000
2 years ($6.00)	30,000

The above are Regular Votes and will maintain the same values throughout the Contest. A special club bonus of 100,000 EXTRA votes will be allowed on each $15.00 worth of subscriptions turned in.

On each new subscription (2-years, 1-year), the following bonuses will be allowed:

20,000 EXTRA votes during the final period, April 2 to April 15.

Extra or Bonus Votes are issued only after the conclusion of the Contest.

Special Prize Announcement

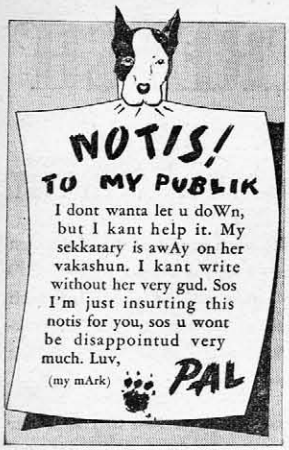
In order that a thorough check and re-check be made of subscriptions turned in towards the special intermediate cash prizes, the names of these winners will be announced simultaneously with those of the Grand Prizes.

There was some close competition for those intermediate prizes, and the management of SOCIAL JUSTICE Magazine feels the check of Votes for these special awards should be as close and accurate as that for the main prizes.

Address All Contest Mail to

'CONTEST MANAGER'
SOCIAL JUSTICE
Royal Oak, Michigan

ONE LAST HOUR OF EFFORT COULD MEAN VICTORY


NOTIS!
TO MY PUBLIK
I dont wanta let u doWn, but I kant help it. My sekkatary is awAy on her vakashun. I kant write without her very gud. Sos I'm just insurting this notis for you, sos u wont be disappointud very much. Luv,
(my mArk)
PAL

Religious Education

THE SENATE and Assembly of the State of New York recently passed identical bills under which public school children will be excused from classes for religious observance and education. The Senate passed the Coudert Bill 46 to 1 and the Assembly passed the McLaughlin Bill 113 to 7. The measure now awaits the signature of Governor Lehman.

From the viewpoint of social justice this is a long step in the right direction. So long as religion is relegated to an insignificant place in human relations, so long will the progress of social justice be impeded. On what basis can men be just except it be on the basis of their responsibility to Almighty God?

Many of the evils of the present economic system are traceable to greed, selfishness, avarice and contempt for the rights of others. These vices spring from the denial of any higher responsibility than the individual himself.

If there is to be any hope for social justice in future generations it is imperative that youth now be made conscious of its personal responsibility to Almighty God.

The McLaughlin-Coudert Bills, while by no means an adequate substitute for *real religious training*, at least give the approval of the State to some minimum of religious education. The results are bound to be of benefit to the State and to aid in the progress of social justice.

Wanted: Farm Homemakers

(Continued from Page 13)

may and should help, but we need a reasonable philosophy of life and action on the part of the many to change a nation. Let us make progress. If there is something wrong with our right hand, let us not apply remedies to the left foot. If the road we have taken has dispossessed the majority, if our standards of living have been lowered, let us arise from our self-complacent lethargy, let us analyze the causes, let us be truthful with ourselves, let us admit our fault, let us improve and not persist in our error. Properly using their intelligence, farmers must make it a point to raise a living first, and then plan a commercial crop.

Agrarianism Is Progress

Agrarian distributists want progress, charging that the advocates of commercialized agriculture preach a doctrine that leads to slavery, to peonage, to pauperism; that the practice of extreme commercialized agriculture has forced the demand for a paternalistic government. If commercialized farming, to the exclusion of the first and main purposes of farming: namely, a home and living, has actually any value, why do we need so many artificial props for the farmers who engage in it? Evidently there has been a retrogression in the pursuit of liberty, independence, and the better living. We need more farm homemakers on the land. Then only shall we enjoy the blessings of God's choicest gift to mankind, the country, our home. We need a practice of self-sufficiency and only after that has been secured are we to think of production for exchange—cash, corn or cotton or wheat, or what else we please.

From the Tower

(Continued from Page 3)

Federal Government, State officials or President of the United States are permitted over the air. Please be governed accordingly as we do not wish to embarrass our station.'"

"In the quoted statement, there is plain notice of censorship of free speech and free expression (that word 'derogatory' is susceptible of almost any interpretation), and an assertion that it is being transmitted to broadcasters because of a threat of reprisal and suppression by Washington unless the lid is put on.

"The enumeration of particular remarks placed under the ban also suggests that somebody in authority in the Capital City may be toying with the idea of putting a *lese majesty* rule quietly into effect while the coming presidential campaign is in progress.

"Suppressive official pressure on radio stations might be difficult to avoid entirely at any time, as long as the Federal Communications Commission remains a politically appointed body. But it ought to be possible to prevent anything as brazenly Hitler-like as the presumably authentic notice we have cited."

ATTENTION
Chicago Readers!

BULK DISTRIBUTORS of SOCIAL JUSTICE magazine in the Chicago area are working in co-operation with Miss Mabel Kelly, chief distributor, in an effort to increase circulation in Chicago and its suburbs.

We distributors take pride in increasing our sales, and oftentimes suffer a loss rather than decrease our standing order for copies. We feel that our job is to help spread the principles of social justice by increasing the circulation of this great magazine.

SOCIAL JUSTICE magazine is making progress; don't let anyone tell you differently. Millions are having their eyes opened to economic evils in this nation through the unceasing work of Father Coughlin.

This work must continue. We who are distributors feel that you who are readers can be a tremendous assistance in furthering the principles of social justice, if you will carry the word to those who are *not* readers of SOCIAL JUSTICE magazine.

Toward that end, we have ordered extra copies and are asking you readers—all who can afford it—to please secure an extra copy and give it to a non-reader.

Father Coughlin's broadcast and SOCIAL JUSTICE magazine are important to America, and to you! We are relying on you to get an extra copy of the April 22 issue—next week—and pass it along to a friend. Won't you please co-operate?

Chicago Distributors of 'Social Justice'

Fr. Coughlin's Radio Stations

At the request of many persons interested in the Sunday broadcasts of Father Coughlin, renewed recently for another year, SOCIAL JUSTICE herewith reprints the list of stations over which the talks may be heard at 4 p.m. (E.S.T.), unless otherwise indicated.

ALBANY, N. Y.—WABY	4-5
AUGUSTA, ME.—WRDO	4-5
BANGOR, ME.—WLBZ	4-5
BALTIMORE, MD.—WBAL	8-9
BOSTON, MASS.—WAAB	4-5
BRIDGEPORT, CONN.—WICC	8-9
BRIDGETON, N. J.—WSNJ	4-5
BUFFALO, N. Y.—WGR	4-5
CINCINNATI, O.—WCKY	4-5
CLEVELAND, O.—WGAR	4-5
DES MOINES, IA.—WHO	4-5
DETROIT, MICH—WJR	4-5
DETROIT, MICH.—WJBK	7-8
ERIE, PA.—WLEU	4-5
FALL RIVER, MASS.—WSAR	4-5
FOND DU LAC, WIS.—KFIZ	4-5
GREEN BAY, WIS.—WHBY	4-5
GREEN BAY, WIS.—WTAQ	7-8
GREENFIELD, MASS.—WHAI	4-5
HAGERSTOWN, MD.—WJEJ	4-5
HAMMOND, IND.—WHIP	4-5
HARRISBURG, PA.—WKBO	8-9
HARTFORD CONN.—WTHT	4-5
INDIANAPOLIS, IND.—WIBC	4-5
KALAMAZOO, MICH.—WKZO	4-5
LACONIA, N. H.—WLNH	4-5
LAWRENCE, KAS.—WREN	9-10
LAWRENCE, MASS.—WLAW	4-5
LEWISTON, ME.—WCOU	4-5
MADISON, WIS.—WIBA	4-5
MANCHESTER, N. H.—WFEA	4-5
MINNEAPOLIS, MINN.—KSTP	4-5
NEW ALBANY, IND.—WRC	9:15-10:15
NEW BEDFORD, MASS—WNBH	4-5
NEW LONDON, CONN.—WNLC	4-5
NEWARK, N. J.—WHBI	4-5
PHILADELPHIA, PA.—WJAS	4-5
PITTSBURGH, PA.—WJAS	4-5
PITTSFIELD, MASS.—WBRK	4-5
PROVIDENCE, R. I.—WEAN	8-9
RACINE, WIS.—WRJN	4-5
READING, PA.—WRAW	4-5
ROCHESTER, N. Y.—WSAY	4-5
SHEBOYGAN, WIS.—WHBL	4-5
SHENANDOAH, IOWA—KMA	4-5
ST JOSEPH, MO.—KFEQ	4-5
ST. LOUIS, MO.—WEW	4-5
WATERBURY, CONN.—WATR	4-5
WILKES-BARRE, PA.—WBAX	4-5
WORCESTER, MASS.—WORC	4-5
WOODSIDE, N. Y.—WWRL	9-10

The League of the Little Flower Requests You to Pray for the Sick and the Dead

"I beseech you therefore, brethren, through our Lord Jesus Christ and by the charity of the Holy Ghost, that you help me in your prayers for me to God."—Romans 15:30

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Divine Heart of Jesus Convert sinners, save the dying, deliver the holy souls from purgatory. (Indulgence of 300 days, every time. Pius X, Nov. 6, 1906.)

You are invited to join the League of the Little Flower.

Benefits: 1. You are remembered every morning at Mass at the Shrine of the Little Flower.

2. You are remembered every morning at a Special Mass said for our intentions at the Tomb of Christ near Jerusalem.

Obligation: Each day say the Lord's Prayer for the intention of the Little Flower. Her intention is to lead souls back to God.

Privileges: You are privileged to enclose the names of the deceased members of your family. They will be remembered each day at the Sacrifice of the Mass.

Fees: Each living member is requested to contribute one dollar a year.

The money derived from this will be used to help Father Coughlin promote his religious activities.

Mail your membership dues to Father Coughlin at Royal Oak, Mich.

Your prayers are earnestly solicited for our sick friends and for the faithful departed who have recently passed to their reward.

Wishing to take part in the activities of the League of the Little Flower, I hereby make application to become one of its members.

Herewith is enclosed ..... dollar(s) as membership fee for the League of the Little Flower for the person(s) listed below:

Name .....

Street .....

City and State .....

"SHALL IT BE AGAIN?"

Help Father Coughlin in his national campaign for continued American war neutrality. Broadcasts at Royal Oak cost close to $10.000.00 each week. The Broadcasting Fund must be kept replenished by the voluntary donations of thousands of readers of SOCIAL JUSTICE—or broadcasting must cease. If you have not yet done your part, do so today with a contribution of $1 to $20.

SOCIAL JUSTICE PUBLISHING CO., INC.
Royal Oak, Michigan.

I wish to contribute to the 1940 Broadcasting Fund so that Father Coughlin may continue to spread principles of genuine Americanism.

I hereby pledge the sum of $_____ which I am enclosing herewith or which I will send in two equal monthly remittances on or before April 15 and on or before May 15.

My Name Is_____

My Address Is_____

City or Town_____ State_____

NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

TAXATION MUST BE ON ABILITY-TO-PAY BASE

'COTTON ED' SMITH IS FRIEND OF FARMER AND SOUND MONETARY CRITIC

WHEN SENATOR Ellison D. (Cotton Ed) Smith of South Carolina voted against the recent Pittman Amendment to the Reciprocal Trade Agreements Act, it was one of the few times he has opposed what SOCIAL JUSTICE considers the best interests of the nation.

An old-line Democrat of the states' rights school, Smith nevertheless joined the Administration's effort to retain concentration of commercial treaty-making power in the hands of the Chief Executive.

His bitterest opponents on any issue, however, never question the honesty and integrity of this veteran of nearly 32 consecutive Senate years.

Beloved by many, disliked by some, but respected by all—that is "Cotton Ed."

His age is one of the great mysteries of Congress, but he admits that his intimate knowledge of cotton conditions, whence he derives his singular cognomen, dates back to the Civil War.

Many Senators have mastered the cotton industry in some phases, but Senator Smith is an expert on all phases.

As chairman of the important Senate Agriculture and Forestry Committee, he exerts a powerful influence on legislation.

On monetary matters he is as sound as any man who ever sat in the Senate. Long a critic of the Federal Reserve System, he voted for the Thomas Bill in 1933, authorizing the President to issue $3-billion of Government currency.

Senator Smith's chief love being agriculture, he is a firm believer in the Agrarian philosophy that farm prosperity is a prerequisite of national prosperity. Toward attainment of justice for the farmer and a more equitable distribution of national income, he stands firmly behind the cost-of-production plan for agriculture. He is also the leading exponent of a Farm Bank of America.

His votes on the Frazier-Lemke Farm Moratorium and Farm Refinancing Bills demonstrate his devotion to the tillers of the soil.

Despite "Cotton Ed's" reputation as a liberal respecting labor, and notwithstanding his recognition of labor's right to organize and bargain collectively, he did not vote when the Senate passed the Wagner Labor Relations Act. Moreover, he opposed the Wheeler-Rayburn Bill to abolish public utility holding companies.

Other controversies on which he has taken a solid, welcome stand, however, were the World Court, which he fought indefatigably, and the Soldiers Bonus, which he supported with equal vigor.

He is unequivocally committed to the social justice principle of taxation according to ability to pay, and removal of tax-exempt features of Federal bonds.

Above all, Senator Smith is a sworn enemy of Communism—red and pink. His opposition to the appointment of Rexford Guy Tugwell was unremitting—a great testimonial to a legislator who fights for his convictions.

—Harris & Ewing

U. S. Senator
ELLISON D. (Cotton Ed) SMITH
of South Carolina
Beloved . . . Disliked . . . Respected

FATHER COUGHLIN DISCUSSES WORLD AFFAIRS
Every Week In Social Justice Magazine